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Congressional Record

PROCEEDINGS AND DEBATES OF THE 99th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Tuesday, May 21, 1985*

The House met at 12 o'clock noon.

The Reverend Monsignor James P. Cassidy, director of health, Catholic Charities, archdiocese of New York, New York, NY, offered the following prayer:

Almighty God, who has brought us together in this Nation, out of many races and religious persuasions, we humbly ask Your blessings and those gifts of wisdom, knowledge, and justice on all assembled here.

Grant us the vision to see Your will in all things and grant us the courage to follow it. May we always be aware of the dignity of every human being that we serve. Grant us peace and harmony and may we, by our actions, proclaim to one another and to all creation that we live in Your glory and trust.

We pray especially for the liberty and freedom of all the people of the world, and particularly, for the Cuban people, that they may grow in the freedom which they are celebrating this month.

O Lord, we humbly ask for Your strength to fulfill our destiny with competent, courageous leadership for the betterment of our country and all humankind. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 124. An act entitled the "Safe Drinking Water Amendments of 1985";

S. 960. An act to amend the Foreign Assistance Act of 1961, the Arms Export Control Act, and other Acts to authorize appropriations for the fiscal year 1986 for international security and development assistance, the Peace Corps, the Inter-American Foundation, and the African Development Foundation, and for other purposes;

S.J. Res. 81. Joint resolution to provide for the appointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution; and

S.J. Res. 131. Joint resolution to designate the week of June 2, 1985, through June 8, 1985, as "Future Problem Solving Program Week."

APPOINTMENT OF PRIVATE CITIZEN AS MEMBER OF THE FEDERAL COUNCIL ON THE AGING

The SPEAKER. Pursuant to section 204 of Public Law 98-459, the Chair appoints as a member of the Federal Council on the Aging the following person from private life:

Mr. Oscar P. Bobbitt, of Austin, TX.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

CERTAIN FORMER FLIGHT ENGINEERS OF WESTERN AIRLINES

The Clerk called the bill (H.R. 484) for the relief of certain former flight engineers of Western Airlines.

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

MEALS ON WHEELS OF THE MONTEREY PENINSULA, INC.

The Clerk called the bill (H.R. 1095) for the relief of Meals on Wheels of the Monterey Peninsula, Inc.

Mr. BOUCHER. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

GERALD M. HENDLEY

The Clerk called the bill (H.R. 1529) for the relief of Gerald M. Hendley.

There being no objection, the Clerk read the bill, as follows:

H.R. 1529

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Gerald M. Hendley of Harmons, Maryland—

(1) during the one-year period beginning on the date of enactment of this Act, may present to the appropriate Federal agency, for administrative adjustment in accordance with section 2672 of title 28, United States Code, a claim against the United States for money damages for injuries sustained when the military bus in which he was a passenger overturned on October 19, 1969; and

(2) if such claim is finally denied by such agency (or deemed to be finally denied), may institute a civil action upon such claim in accordance with section 2675 of such title;

notwithstanding the two-year limitation set forth in section 2401(b) of title 28, United States Code, and notwithstanding any disposition of such claim by an agency or a court before the enactment of this Act to the extent such disposition was determined to have been based on that two-year limitation. The appropriate district court shall, in accordance with section 1346(b) of title 28, United States Code, have jurisdiction of any action brought under paragraph (2) of this section.

SEC. 2. No more than 10 per centum of the amount appropriated in the first section shall be paid to or received by any agent or attorney on account of services rendered in connection with the claims dealt with in this Act. Any person violating the provisions of this section shall be fined not more than $1,000.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARY E. STOKES

The Clerk called the bill (H.R. 1783) for the relief of Mary E. Stokes.

There being no objection, the Clerk read the bill, as follows:

H.R. 1783

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of computing the survivor annuity payable to Mary E. Stokes (social security number [redacted]) of Pensacola, Florida, under section 8341 of title 5, United States Code, the creditable service of her deceased husband, Bartley T. Stokes (social security number [redacted]), shall include, subject to section 8332(j) of such title, military service performed by him.

SEC. 2. (a) The Director of the Office of Personnel Management shall pay to Mary E. Stokes in a lump sum an amount equal to the unpaid portion of the survivor annuity she would have received for the period beginning on March 26, 1977, and ending on the first day of the last month beginning before the date of the enactment of this Act if the first section of this Act had been effective on or before March 26, 1977.

(b) No amount in excess of 10 percent of any amount paid pursuant to subsection (a) may be paid to or received by any attorney or agent for services rendered in connection with such payment. Any violation of this subsection is a misdemeanor and any person convicted thereof shall be fined not more than $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUDREY O. LEWIS AND EMERSON B. VEREEN

The Clerk called the bill (H.R. 1010) for the relief of Audrey O. Lewis and Emerson B. Vereen.

There being no objection, the Clerk read the bill, as follows:

H.R. 1010

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, to—

(1) Audrey O. Lewis of Loris, South Carolina, the sum of $140,500; and

(2) Emerson B. Vereen of Baltimore, Maryland, the sum of $43,750,

in full settlement of all of their claims against the United States arising out of the tortious and felonious activity of Wayne A. Ambrose, Junior, who, while employed as a special agent of the Bureau of Narcotics and Dangerous Drugs (abolished pursuant to Reorganization Plan No. 2 of 1973 in conjunction with the formation of the Drug Enforcement Administration) engaged in such activity.

(b)(1) Any amount of money damages to be paid by the United States pursuant to subsection (a) shall be reduced by an amount equal to any sum received by Audrey O. Lewis or Emerson B. Vereen on or before the date of such payment under such subsection from Wayne A. Ambrose, Junior, or Larry L. Clark pursuant to the default judgment entered on November 18, 1982, in favor of Audrey O. Lewis and Emerson B. Vereen by the United States District Court for the District of Maryland in civil action numbered Y-81-2569.

(2) Upon the payment by the United States of the amounts described in the subsection (a), the United States shall be subrogated to the claims of Audrey O. Lewis and Emerson B. Vereen against Wayne A. Ambrose, Junior, or Larry L. Clark under the default judgment described in paragraph (1) to the extent of the amounts paid by the United States, and any amount received by Audrey O. Lewis or Emerson B. Vereen to which such subrogation applies shall be due and payable to the United States as of the date of receipt of such amount.

SEC. 2. No amount in excess of $9,100 shall be transferred or received by any agent or attorney for services rendered in connection with the payment authorized in the first section of this Act. Any person violating this section shall be fined not more than $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

ENACTING FIREARM REGISTRATION LAWS

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

Mr. TRAFICANT. Mr. Speaker, today I am introducing legislation to enact firearm registration laws.

Statistics show that the number of handgun homicides in this country is outrageously high.

For example, in 1980, there were 11,522 handgun homicides committed in the United States, as compared to 77 in Japan; 8 in Great Britain; 24 in Switzerland; 8 in Canada; 18 in Sweden; 23 in Israel; and 4 in Australia. Except for the United States, all of these countries require either a background check, a permit, and/or a license to buy and carry a weapon.

The situation in this country has not gotten much better. In 1983, there were 9,014 handgun homicides. Think about it—over 9,000 killed.

In the peak 7 years of the Vietnam war, there were over 40,000 U.S. troops killed. In that same timeframe, there were over 50,000 Americans killed by handguns.

My bill would require that States enact firearms registration laws in order to continue receiving criminal justice block grants. States must enact criminal penalties for failure to register a gun or to obliterate, alter, or remove the serial number. Americans can retain their guns, but they must register them.

This bill would be an important first step in gaining some control over this Nation's disgraceful homicide rate. I urge the support of my colleagues.

WELL DONE, CAP!

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

Mr. BROOMFIELD. Mr. Speaker, I commend the Secretary of Defense for his recent remarks condemning the Soviets for the murder of Major Nicholson. The actions of the Kremlin leaders continue to belie their words.

Secretary Weinberger is now in Europe where he restated his demands for a Soviet apology and compensation for the brutal murder of Major Nicholson. He also paid his respects to the widow and young daughter of Major Nicholson.

I join the Secretary in voicing my outrage over that coldblooded murder. The American people will not forget that tragic and senseless incident.

That murder shows the real Soviet attitude about relations with the West. Gorbachev's apparent unwillingness to come to the United Nations to meet with the President also says something about Soviet desires for better relations. They are backing away from a U.S. invitation to have the two leaders meet. Actions, more than words, reveal the truth about the Russians. This is a lesson we must not forget.

HONORING WALLY AND BARBARA FEDULLO

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

Mr. TORRES. Mr. Speaker, I want to take this opportunity to call to the attention of my colleagues the outstanding work of two special individuals who are being honored as "Resident Managers of the Year" by the Association of HUD Management Agents.

Wally and Barbara Fedullo have been chosen to receive this award for their tireless and innovative efforts to enhance the lives of the tenants at the Pioneer Gardens Apartments in Santa Fe Springs, CA. As resident managers of a HUD-subsidized apartment complex, they are routinely called upon to perform tasks above and beyond those required of conventional property managers. Wally and Barbara have continually demonstrated superior ability in performing these difficult tasks. They richly deserve to be honored for their outstanding achievements.

Wally and Barbara brought 11 years of experience in property management to the Pioneer Garden Apartments, and their experience has paid high

dividends. When they arrived at the multiethnic, 141-unit family project 5 years ago, it was fraught with heavy gang activity. To compound their problems, the project was located in an area undergoing redevelopment, with no adequate housing in sight prior to Pioneer Gardens.

With the persistence of the Fedullos, and their philosophy of self-determination, the project has been turned into a model for other assisted housing programs. The Fedullos have implemented several self-improvement programs including peer counseling sessions, social activities, recreational events, and health and safety seminars. The Fedullos even organized a library attendance program as a means of self-improvement for the 300 youth who reside in the complex.

The stability and sense of community that has been established at the Pioneer Gardens is evidenced by the fact that a 24-hour security guard service is no longer a necessity for the project. The Neighborhood Watch Program and counseling sessions organized to combat crime and gang activity in the area have given the residents of Pioneer Gardens a direct say in the safety of their homes.

Mr. Speaker, I am very proud of Barbara and Wally Fedullo and I invite my colleagues to join with me in honoring them as the Association of HUD Management Agents "Resident Managers of the Year."

□ 1210

GUN OWNER PROTECTION PACKAGE OF 1985

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

Mr. MARLENEE. Mr. Speaker, it's time to stop violating the rights of American sportsmen and gun owners. Today, Idaho Congressman LARRY CRAIG and I are introducing the "Gun Owner Protection Package of 1985" which seeks to stop the erosion of our constitutional rights.

Our legislative package has three parts. Part 1 will allow those citizens who legally own a firearm to transport that firearm freely across State lines through any jurisdiction in the United States, even Morton Grove, IL.

The second and third parts will protect the firearm manufacturer and firearm owner from personal liability if the firearm is purchased or stolen and then used in a criminal act.

Gun owners whose firearms are lost or stolen, and manufacturers who sell firearms, should not be held liable if their firearm is later used in the commission of a crime. That is akin to making me liable if my truck is stolen and later used as the getaway car during a robbery.

Sportsmen and firearm owners have rights and I intend to do all I can to see that those rights are protected.

I urge my colleagues to join Congressman CRAIG and I in this effort by cosponsoring the Gun Owners Protection Package of 1985.

THE NEED FOR TRUTHFULNESS

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

Mr. BEDELL. Mr. Speaker, in the Des Moines Register this weekend was this article which says, "Reagan denies military bought the famous $435 hammer." The article quotes the President as follows: "Just give you one line about it," Reagan added, "that $435 hammer—we never bought that."

Mr. Speaker, the military did not buy just one hammer in that tool kit—the military bought three in that tool kit for which they paid $847,000.

Following that purchase, the Navy had an audit. The auditors said the overcharge may have been as much as $729,000 on an $847,000 purchase. Thereupon, the Secretary of the Navy met with a supplier and settled it for $84,000, a 10-percent refund.

Mr. Speaker, most of my people do not think a 10-percent refund on $400 hammers is any great deal, but there is something much more important than the hammers, Mr. Speaker. The issue is whether the President of the United States feels that he has to be truthful. I submit that it is important for us in the Congress to demand that the President of these United States have some concern for the truth and that he speak truthfully when he speaks to the people of our country on this and other matters.

IN DEFENSE OF CONGRESSMAN BROOMFIELD

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

Mr. LAGOMARSINO. Mr. Speaker, I was shocked to hear Congressman WEISS' remarks last week labeling my colleague, Mr. BROOMFIELD, a "radical Republican extremist." Many of my colleagues were especially surprised that such a charge would be made by the gentleman from New York.

As my colleagues know, Congressman WEISS was referring to the fact that Mr. BROOMFIELD offered an amendment to the State Department Authorization Act suggesting that unless the Soviets apologize to the Government of the United States for the killing of Major Nicholson, our Government should declare the Soviet Ambassador to be persona non grata. The amendment passed overwhelmingly with a majority of both parties supporting Congressman BROOMFIELD.

The Congressman from New York also accused Mr. BROOMFIELD of not checking with the State Department, or the President before offering the resolution. Is the gentleman unaware of the fact that Congress is a separate branch of Government and that the overwhelming vote in support of this amendment is an expression of the American peoples' concern about the tragic incident? The amendment was also a "sense of Congress" and not binding legislation. The vote was an expression of congressional concern and intent, not the intent of the State Department.

My friend, Congressman BROOMFIELD is a well respected, thoughtful and an experienced Congressman who has led the way for bipartisanship, moderation and a steady course for America's foreign policy.

If anyone in this body is to be labeled as a radical extremist, it is clearly not BILL BROOMFIELD.

THE BUDGET

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

Mr. WILLIAMS. Mr. Speaker, tomorrow the House begins its consideration of the coming year's budget. Those of us on the Budget Committee believe that it is a good budget and a fair budget. It assumes a deficit reduction of $56,200 million. That is more than the President has agreed to cut. Our budget includes no increase in income tax and provides a full cost-of-living adjustment for Social Security recipients, the civilian, military and railroad retirees. Fifty-one percent of the savings in our budget comes from nondefense spending, 49 percent of the savings comes from Pentagon spending. The recommendation freezes Pentagon budget authority for the coming year, although even with this freeze, the Pentagon outlays will increase for the coming year $15,100 million above the 1985 estimated level.

During the next 3 years, 1986, 1987, and 1988, spending for domestic programs would be reduced by more than $121 billion.

THE NORTHWEST ORDINANCE: GIVING EXPRESSION TO DEMOCRACY'S FUNDAMENTAL PRINCIPLES

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

Mr. MILLER of Ohio. Mr. Speaker, approximately 197 years ago, an event took place that not only has a special meaning for the people of the 10th

Congressional District of Ohio, but is genuinely significant far beyond its boundaries.

On a rainy seventh of April in 1788 a boat touched shore near the confluence of the Ohio and Muskingum Rivers, bearing 47 veterans of the War for Independence, the pioneer settlers of Marietta, OH. The development of America's West under the auspices of America's government had commenced.

The founding of Marietta, OH, had been made possible by the Northwest Ordinance, the crowning achievement of the Congress of the United States under the Articles of Confederation. It is fitting that the citizens of Marietta, as they look forward to their bicentennial, plan to inaugurate the year of celebration on the 200th anniversary of the enactment of the ordinance of July 13, 1787. It is also appropriate, at this point, to note that the development of the Northwest Territory also led to the founding of Ohio University, Athens, OH, the oldest public institution of higher education in the Territory.

The bicentenary of the Northwest Ordinance calls for recognition throughout the Nation. The States of Ohio, Indiana, Illinois, Michigan, Wisconsin and—in its eastern part—Minnesota, all emerged from that vast region which the ordinance provided with civil government and opened to settlement. Moreover, those States owe much to such provisions of the ordinance as those forbidding slavery and fostering education. The States to the East should take pride in having contributed to the work: Thomas Jefferson of Virginia, Rufus King of New York, and Nathan Dane of Massachusetts were among those who gave the ordinance its form. The States to the West should be grateful that the ordinance set the precedent for a procedure by which territories, after a period of qualified self-government, were to enter the Union on an equal footing with the other States. and all Americans should be impressed by what a great judge called the "masterly display of the fundamental principles of civil and religious and political liberty" found in the Ordinance of 1787.

It is heartening to know that a Northwest Ordinance Bicentennial Planning Committee had been formed in Ohio with the aim of seeing that the Northwest Ordinance will receive the kind of 200th anniversary tribute that it deserves.

I am today introducing a concurrent resolution indicating the Congress approval of the Planning Committee's efforts, and I hope my colleagues will join me in supporting it. Senator JOHN GLENN is introducing a companion bill in the U.S. Senate.

The most famous words of the Northwest Ordinance are these: "Religion, morality and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged." A celebration of the ordinance's bicentenary that would broaden and deepen the American people's understanding and appreciation of this great law would be faithful to that mandate. It would itself be a "means of education" that would promote "good government and the happiness of mankind."

SALMON AND STEELHEAD FISHING IN THE NORTHWEST

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

Mr. LOWRY of Washington. Mr. Speaker, I rise to call attention to my colleagues a resolution I received today from the Church Council of Greater Seattle commending the Northwest Steelhead & Salmon Council of Trout Unlimited for their leadership in working out what has been a very satisfactory agreement for the last 3 years on the very sensitive salmon and steelhead fishing problems in the Northwest.

We have enjoyed a real success story, where sports fishermen, commercial fishermen, treaty fishermen, landowners with water resource concerns and large corporations have replaced suing each other with sitting down and working together and saying, "Let's worry about the fish resource." It is working. The fish are coming back. We are having one of the best steelhead years ever, we are having one of the best salmon years ever, and it is because this type of cooperation is working. I invite you to the Northwest for some great fishing.

I am includng the resolution for the RECORD.

CHURCH COUNCIL OF GREATER SEATTLE—RESOLUTION

Whereas, the Salmon & Steelhead fishery resources within the State of Washington have been the subject of bitter battles over management and allocation of these important resources; and

Whereas, in the past, such differences have led to costly court cases and state initiatives; and

Whereas, the Church Council of Greater Seattle has promoted reconciliation and coming together on this issue, and has a continuing religious concern for the reverence of the earth and its resources,

Therefore, be it resolved that the Church Council of Greater Seattle, on this 14th Day of May 1985 recognizes and commends the Northwest Steelhead & Salmon Council of Trout Unlimited for its leadership in—

Working with Indian tribes as co-managers to improve fish runs and enhance fisheries habitat,

Helping to protect salmon and steelhead habitat from damaging development in watersheds, low head hydro projects, and poor logging practices,

Working with Columbia River Indian Tribes in lobbying the Bonneville Power Administration to manage water flows on the Columbia River to protect upstream and downstream fish runs,

Obtaining a United States/Canada Fishing Treaty which will help ensure that efforts to restore fish runs in the Northwest are not undermined by ocean overharvesting.

And be it resolved that a copy of this Resolution be sent to the State of Washington Congressional Delegation.

TAX FAIRNESS FOR FAMILIES

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

Mr. COATS. Mr. Speaker, as sponsor of H.R. 1551, the Tax Fairness for Families Act, I was very pleased to learn last week that the administration's revised tax plan includes a doubling of the personal exemption. However, I am also a bit concerned over reports that the $2,000 personal exemption might be phased in over a 3-year period. I certainly hope that the administration does not try to shortchange the American family with this phase-in idea; because that is just what it would be, shortchanging the American family.

Mr. Speaker, over the past 20 to 30 years, the American family has been overtaxed. It's average effective rates have increased dramatically while the rates of single persons and couples without children have remained almost unchanged. This is an unjust situation which we have an obligation to remedy as soon as possible.

The personal exemption is not some kind of tax benefit or incentive. It is not an extra. It is a basic part of the Tax Code, as basic as the rate schedules themselves. It is the primary means by which the Tax Code adjusts tax liability to the size of the family, just as the rate schedules are the primary means by which tax liability is adjusted according to income. By failing to increase the personal exemption with inflation, we have increased the taxes of families relative to the taxes of single persons and couples without children.

By failing to increase the personal exemption, we have violated a basic principle of our tax system; in fact, we have been grossly unjust. And now it seems that some people in the administration are telling the President that we ought to remedy this injustice, but not all at once. In fact, what they are telling the President is, "If we promise fairness in the long run, we can get away with being unfair a little bit longer."

Well, Mr. Speaker, a fair person, and likewise, a fair administration, does not phase in fairness. It doesn't remedy past injustice by being a little less unjust in the future. I believe that

our President understands this principle, and I hope very much that he will make sure his tax plan reflects it.

FOREIGN IMPORTS ARE STEALING AMERICAN JOBS

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

Ms. KAPTUR. Mr. Speaker, foreign imports are stealing American jobs at a record pace. By the end of this year, foreign cars will capture nearly one-third of the U.S. auto market. In April, Japan took more jobs away from American workers, and at a 21-percent increase over just the previous month of March. Imports are taking away American jobs in every segment of domestic auto manufacturing—from headlights to tailpipes. Here in my hand, I have automobile glass made by the glassworkers at Libbey-Owens-Ford in my district. Over the past 3 years, imported glass has increased nearly 40 percent. As a result, almost 1,400 glassworkers at LOF are currently out of work. Further, foreign companies that assemble cars here use only foreign parts, thus diminishing jobs for workers and businesses in my district.

The administration suggests that we wait until next year to open a new round of trade talks. "Maybe then," they say, "France will be ready." We can't wait until next year. We need action now.

In my district, we are very proud of the products made by our workers. Our workers can compete with any other workers in the world—but only if all countries play by the same rules. The unfair trade practices of other nations put our workers at a disadvantage. Unfortunately, this administration is asleep at the foreign trade wheel. Under the Constitution, the Congress has the "Commerce Power." Therefore, it is up to Congress to see that the American worker gets a fair shake in foreign trade.

□ 1220

CONGRESSIONAL NEGOTIATIONS WITH SANDINISTAS SHOULD BE MADE PUBLIC

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

Mr. LIVINGSTON. Mr. Speaker, I took the well last Wednesday over a news report that two of our colleagues had a closed-door meeting with Sandinista leaders in Managua only weeks after this House rejected humanitarian aid for Nicaragua's democratic opposition, and only days after Daniel Ortega responded to that vote with a trip to Moscow. I was concerned because it appears that American diplomatic personnel were specifically refused permission to attend this meeting, and because I believe it is bad policy for Members of Congress to play Secretary of State, particularly with an openly hostile regime like the Sandinistas.

I also called upon both of our colleagues to make public the full substance of their negotiations. Whether or not the purpose of the trip was to encourage more clever Sandinista public relations maneuvers so as not to embarrass our Democrat colleagues—the reason alleged in the news column—the American people have the right to know what went on in Managua.

Mr. Speaker, to the best of my knowledge, our two colleagues have not yet responsed to the call for full disclosure. Consequently, I again call upon them to simply tell us what they told them. And I also again urge you, Mr. Speaker, to consider changes in the House rules to prohibit self-appointed congressional ambassadors from conducting conferences out of earshot of authorized U.S. diplomatic personnel.

ANNE FRANK DAY

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

Mr. DASCHLE. Mr. Speaker, today I join with my colleagues, Mr. LEVIN and Mr. HORTON in sponsoring a resolution designating June 12 as Anne Frank Day.

As a child, Anne Frank grew up amid the terror and persecution of the Nazi government of Adolf Hitler. For a little over 2 years, Anne, her family, and a small group of others hid in a small attic—hoping against hope they would survive.

On her 13th birthday, Otto Frank gave his daughter a diary.

That diary—the recordings of a young teenage girl—document the struggle, the hopes, the dreams, and the fears of a child growing up in a world turned upside down.

In 1945, Anne Frank died in the Nazi prison camp at Bergen-Belsen. She was 16 years old.

It is a time in our history that is difficult for us to remember—to recall the horror, the destruction, the death aimed at one segment of our society by another. But it is also a time we must never forget—or we risk permitting history to repeat itself.

Anne Frank, through her diary, left us with a powerful message. We can never again stand by and permit denial of basic human rights or freedoms and persecution to exist or we stand to lose life itself.

Anne's words, written in a child's hand, more clearly illustrated the philosophy, "in spite of everything, I still believe that people are really good at heart."

On June 12, 1985, in New York City, in Amsterdam, Holland, and in Frankfurt, Germany, the international opening of the exhibit, "Anne Frank in the World, 1929-1945," will take place. Over 800 photographs, video presentations, and memorabilia depicting the life and times of one child living in a world where evil reigned—but a world where the goodness of the human spirit overcame that evil and survived, will be displayed.

To that end, my colleagues and I invite everyone to join us in recognizing the legacy of Anne Frank.

In a dark and threatening world, amid death and persecution, Anne Frank never gave up her faith in improving all humankind. Nor should we.

GROUP 92 BUDGET RESOLUTION AND AN AMENDMENT IN THE NATURE OF A SUBSTITUTE

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

Mr. PURSELL. Mr. Speaker, I rise today for two purposes.

First, on behalf of the 92 Group, I am reintroducing our budget proposal as a concurrent budget resolution. I am reintroducing it to comply with rule 23, clause 8 of the House rules, which calls for the public debt figures in a budget resolution to match those reported out by the House Budget Committee. I also am reintroducing it to reflect the 92 Group's decision to propose revised defense spending in the outyears—revised from our original proposal. The budget resolution I am introducing today calls for defense spending in fiscal years 1987 and 1988 to reflect 3 percent real growth.

The 92 Group has made this revision because we believe that 3 percent real growth in the outyears for defense is a position that is supported by a majority of the Members of this body. The revision thus provides for a greater consensus for our proposal. It is clear that consensus is necessary for the difficult decisions to be made to reduce this Nation's Federal deficit. That consensus, plus the accuracy of savings contained in our proposal in that we actually achieve $51 billion in deficit reduction in fiscal year 1986, make the 92 Group's budget proposal the only real alternative to solving the deficit problem and returning this country to good, sound public fiscal policy.

The second purpose for which I rise today, Mr. Speaker, is to offer the 92 Group budget proposal as an amendment in the nature of a substitute to House Concurrent Resolution 152, the budget resolution reported by the House Budget Committee. This afternoon we will be requesting of the

Rules Committee that our substitute be made in order for consideration on the floor of this House when the budget resolution for fiscal year 1986 is debated. We believe it is of the utmost importance to have our budget resolution considered on the floor. We believe that it provides the framework for uniting the people and their Government in a fair program to reduce the deficit while keeping taxes down. Our budget reflects the principle of shared responsibility for achieving those ends, with the ultimate goal of maintaining and enhancing this country's economy.

ANNE FRANK DAY

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

Mr. LEVIN of Michigan. Mr. Speaker, I am pleased today to introduce, with Congressmen DASCHLE and HORTON, a joint resolution that would designate June 12, 1985, as "Anne Frank Day."

The story of Anne Frank is widely known. To make it still better known, on June 12, 1985, an exhibit entitled "Anne Frank in the World 1929–1945," will open in Frankfurt, Amsterdam, and New York City. The exhibit organized in the United States by the American Friends of the Anne Frank Center and hosted in New York by the American Forum on Religion and Politics is designed to preserve the memory and message of Anne Frank.

The message of Anne Frank in her diary is a powerful one. It reminds us of the precious value of human rights and of each individual human life. It also reminds us that the denial of human rights of any individual or group ultimately means the eradication of the human rights of a society as a whole.

DENYING MOST-FAVORED-NATION TRADING STATUS TO AFGHANISTAN

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

Mr. COURTER. Mr. Speaker, for 6 long years, we have watched with growing horror all that the Kremlin is doing to win its war against Afghanistan. And we know—every one of us—that the Karmal government in Kabul is no national government at all; it is instead an implement of Moscow, and a standing insult to the Afghan people.

Yet, the United States has never withdrawn its most-favored-nation trading status. If we are to do so, it is the Congress which must take the initiative under present law. Therefore, on May 15, 36 Democratic and Republican Members of this House joined me in introducing H.R. 2520, a bill "To deny most-favored-nation trading status to Afghanistan."

I hope many additional Members will join us in advancing this bill. It is a simple and a modest act, but it is something this Government should have done for the Afghan people a long time ago.

HOUSE BUDGET COMMITTEE'S BUDGET IS MUCH MORE FAIR

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

Mr. VOLKMER. Mr. Speaker, as one who believes very strenuously that we must reduce the size of the budget deficits, I rise in strong support of the resolution from the House Budget Committee. I feel that the $56 billion reduction for next year is very much needed, and that the matter of holding the defense spending to a freeze is adequate for our defense and a strong defense.

This budget resolution also allows for a Social Security cost-of-living increase. In comparison with the budget that emanated in and was passed by the other body, I would like to say that while they, the other body, gave an inflationary increase to defense spending, gave additional billions of dollars to the Pentagon, they refused to give even 1 cent for Social Security funds for those who are on Social Security and do not give Social Security recipients a cost-of-living increase.

I believe that the House Budget Committee's Budget is much more fair across the board for all Americans and provides for a necessary budget reduction.

□ 1230

QUESTIONABLE TRIP TO NICARAGUA

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

Mr. WALKER. Mr. Speaker, a few moments ago our colleague from Louisiana raised a question about a very questionable trip by a couple of our colleagues to Nicaragua recently. I wonder if the gentleman, if he could reply to me, knows how that trip was paid for?

Mr. LIVINGSTON. Will the gentleman yield to me?

Mr. WALKER. I would be glad to yield to the gentleman from Louisiana.

Mr. LIVINGSTON. No; as a matter of fact, there was an article last Wednesday in the Washington Post about the trip. I think that was Evans and Novak. There is another article by Joseph Sobran in the Washington Times today. Both articles refer to the trip, but neither one mentions how this particular trip was paid for.

Mr. WALKER. Since those articles have appeared, I have heard a strong rumor that that trip might have been paid for out of House funds. The gentleman has no knowledge of that.

Mr. LIVINGSTON. I have not heard that rumor. I would certainly be appalled if that were true. I would certainly hope that such a trip would be paid for at the instance of the two Members on their own, paid for by themselves, particularly since they excluded the diplomatic personnel at the U.S. Embassy.

Mr. WALKER. I thank the gentleman, and I would certainly concur with what the gentleman is saying. I would hope that there is no chance that we paid for that with official taxpayers' money and then excluded the State Department, and particularly we did not pay for it out of House funds.

I think that one of the questions that has to be raised in conjunction with the ones the gentleman has already raised, is: Who paid for this trip and for what purpose? I think we need an answer.

MILITARY DRUG INTERDICTION ASSISTANCE ACT

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

Mr. BENNETT. Mr. Speaker, I am introducing a bill today, the Military Drug Interdiction Assistance Act, which will allow members of the military to assist drug enforcement officials in drug searches, seizures, or arrests in drug interdiction operations. Our past failure to stop drug trafficking is a national tragedy. We must step up our efforts in the fight against drugs. Congress has acted on numerous occasions to set aside the posse comitatus ban on military involvement in civilian law enforcement procedures; and the menace of drug infestation compels us to act again in this much more important area. With the unique capabilities and resources the military can offer, it makes no sense at all to continue to overly restrict their assistance to drug enforcement agencies.

This bill is a balanced approach to the problem. It provides that any assistance must not adversely affect military preparedness. It allows military assistance in drug searches, seizures, and arrests only outside the land area of the United States. Federal drug enforcement officials have ultimate control over any operation, and the military drug interdiction expenses will be covered by the Economy Act and the Reimbursement Act.

We are not irresponsibly turning loose the military. We are taking a careful and necessary step to stop the

insidious flow of drugs into our country. I urge your support for this measure.

THE TAX ISSUE

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

Mr. MACK. Mr. Speaker, tomorrow the House will begin consideration of the fiscal year 1986 budget resolution.

While Members of this body may differ on how the burden of deficit reduction should be distributed, I commend the distinguished chairman of the House Budget Committee, BILL GRAY, for steering a resolution through his committee that focuses exclusively on the spending side of the Federal budget. Certainly, the American voters made their position on tax increases crystal clear in last November's Presidential election. Our constituents, both Democrats and Republicans, throughout the country overwhelmingly rejected a tax increase for a Government bailout.

Congress will address the fairness of our tax system later this session. But an increase in revenues should not be subject to debate—neither during the coming discussion of simplification nor during the present consideration of the budget. I remind my colleagues not only of the recent mandate against revenue hikes but also of the pledge made by 146 Members of the House to sustain a Presidential veto of any legislation raising taxes.

Accordingly, as we move into the budget debate, I urge the House to demonstrate the political discipline required to legislate meaningful and balanced spending reductions.

SUBCOMMITTEE ON ELECTIONS PLANS UNIFORM POLL CLOSING HEARINGS

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

Mr. SWIFT. Mr. Speaker, the Subcommittee on Elections is considering uniform poll closing legislation and this Thursday, the 23d, we are having a hearing specifically to provide an opportunity for interested Members to present their views.

A "Dear Colleague" has been circulated outlining the reasons for the hearings, but I can summarize briefly by saying that they stem from the work the subcommittee has been doing over the last several years on the subject of early projections of election returns.

We have finally reached an agreement with the television networks such that a nationwide uniform poll closing time will—finally and completely—solve the problem of early projections. As a result, we have begun this series of hearings to examine the feasibility of such legislation.

We are well aware, however, that there are important questions to be considered with respect to the impact of a nationwide uniform poll closing time, particularly since it will affect different regions of the country differently. We want to be sure that we have carefully considered all the ramifications of a uniform closing time before we move forward with legislation. All interested Members who have questions, or who would like to comment, are welcome—in fact, invited—to contact me or the subcommittee any time.

RESOLUTION DECLARING SOVIET AMBASSADOR PERSONA NON GRATA

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

Mr. WEISS. Mr. Speaker, last week I read into the RECORD a newsstory quoting the State Department's reaction to a resolution introduced a few days earlier at the instigation of radical Republican extremists. Today I want to submit for the RECORD the exact statement of State Department spokesman Edward Djerejian, and I quote:

> Yesterday, the House of Representatives, without prior consultation with the Administration passed an amendment to the State Department authorization bill expressing the "Sense of Congress" that the Soviet Ambassador should be declared persona non grata unless the Soviet Government apologizes for the killing of Major Nicholson. In earlier action on April 22, 1985, the House overwhelmingly passed H. Res. 125 condemning the Soviets for this brutal and senseless act. We share the sense of outrage felt by the American people and the Congress as reflected in these two actions concerning the killing of Major Nicholson.
>
> Nevertheless, we consider yesterday's House action to be unwise and inappropriate. This is one of the most sensitive areas of our relations with foreign nations. We have been seriously working with the Soviets to resolve the questions raised by the Nicholson killing, including the safety of our people working in East Germeny.
>
> Under the Constitution, the receiving of foreign Ambassadors is a power reserved exclusively to the President. We do not believe that threats to declare Ambassador Dobrynin persona non grata constitute a useful step in our efforts to resolve our differences with the Soviets.

So, Mr. Speaker, if my colleague from California [Mr. LAGOMARSINO] or any Member, has an argument over the resolution, it is not with me, but with the Reagan administration.

CENTRAL AMERICA: A DOSE OF REALITY

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

Mr. GONZALEZ. Mr. Speaker, once again the Reagan administration is trying to surround the Nicaraguan wagon train with just one horse—his own. The President has imposed economic sanctions on Nicaragua without seeking the advice or support of America's allies. In fact, Assistant Secretary of State Langhorne Motley admitted to the House Foreign Affairs Committee last week that the administration had not sought backing from other countries, even other Latin American countries, for its sanctions. Secretary Motley stated that to seek the backing of other countries would be to conduct foreign policy based on a popularity poll. And the administration was rewarded for its General Custer attitude by gaining the endorsement of only El Salvador and Guatemala—two countries who are completely dependent upon United States aid, neither of which can help the sanction business one iota.

What the administration has never learned is that seeking the advice and counsel of our respected allies would be a show of strength, not weakness. The President has forgotten the old adage that two heads are better than one, and he has repeatedly and dogmatically engineered a solitary, unilateral course of action in Central America. There are many reasons why it is unwise, perhaps ultimately even fatal to our best interests, to act alone as the United States is doing—and the main reason against unilateral intervention is coming to light with greater clarity as each day passes. We should seek the support of our allies so that we do not embark on a weak and misguided policy of the sort that the President has undertaken. Our allies would have told us the truth—the objective truth—about the ineffectiveness of our so-called Central American policy.

In fact, they are telling us in as diplomatic a manner as is possible. Germany's President Helmut Kohl refused to endorse our sanctions against Nicaragua; Italy promptly announced plans to go ahead with a $25 million powerplant project in Nicaragua; and where is Maggie Thatcher—she hasn't joined our game, either. And sanctions cannot conceivably work even against a third-rate power like Nicaragua, if they are imposed by only one power.

The United States is not alone in the world—and we do not run the world. If America ruled the world, we could act unilaterally without regard to the wishes or advice of our friends. But America is just one part of the world—albeit a powerful force—and as in all friendships and marriages, we cannot continue to pretend that we are the only ones that matter. The President must seek the support of our partners around the world or we will find ourselves alone on the battlefield, drain-

ing our resources and expending our lives for a fight that our friends says is unnecessary, illegal, and immoral. If we do not garner their support before we get irreversibly involved, we cannot expect them to support us when we need help. This latest General Custer maneuver cannot work, and it therefore cannot do anything but harm whatever goal the President is seeking. For, as a wise political adviser once said, "It's one thing to tell a fellow to go to hell, but another to make him do it." The Reagan sanctions won't make the Nicaraguans go to hell, but they will probably nudge our own policy further in that direction.

LET'S GET THAT NICARAGUA TRIP OUT IN THE OPEN

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

Mr. DORNAN of California. Mr. Speaker, we are in a very uncomfortable position on the minority side of the aisle because rumors are flying hot and heavy about the late April trip to Managua by two of your Members. I would ask you to put yourself in the shoes of those of us who believe that the ruling comandantes in Managua are dedicated Leninists; that is Communists.

What should we do when two Members on your side, the distinguished gentlemen, Mr. MILLER from California and Mr. BONIOR from Michigan, go down to Managua to counsel in private with Communists who are hostile to freedom, block our U.S. embassy people from sitting in on their secret meeting and then refuse to tell us, their colleagues, just what they're up to. As you know, two Members from the other body, also of your party, shortly before our rotten April 24 vote denying all aid to the democratic resistance, had the same type of secret meeting with Communist rulers in Managua. We are baffled over here. Just what is going on in your party?

Would you please encourage those two Members to come over to our side of the aisle, or to our cloakroom, and tell us exactly what they said in private down there. What are they telling Vic Tinoco to tell Ortega? What kind of PR training are they giving to the comandantes? We need all the facts we can get about what is happening in Managua as we all prepare to debate this issue again, right, Mr. Speaker? We are sincerely confused over here and would like to know what the heck is going on. The rumors now, Mr. Speaker, are that you paid for their trip down there. There is also a column that is rather rough on you in today's Washington Times. Tell me it isn't so.

Let us not have these rumors fester on both sides of the aisle. Let's get it all out in the open.

OVERESTIMATED INFLATION ADJUSTMENT IS LATEST PENTAGON ABUSE

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

Mr. BRUCE. Mr. Speaker, just yesterday a former Republican Presidential candidate and our own Armed Services Committee chairman took the floor in their respective chambers to point out that the current system of military spending is resulting in embarrassing examples of waste, fraud, and abuse, which are jeopardizing the national consensus to rebuild our national defense and, in my opinion resulting in a defense system that is too expensive and inefficient to truly protect our country.

We all have heard the list of abuses: the $400 hammers, the $600 toilet seats, the $6,000 coffee pots. These are more than colorful anecdotes. Recently we have heard more and more about the systematic abuses of our military procurement system by a major defense contractor. The disillusionment and outrage in my own conservative district over the American taxpayer footing the bill for golf weekends and executive parties is expected and justified.

Now we learn that the Department of Defense has overestimated the inflation adjustment when making budget requests, possibly costing us between $18 to $50 billion. My constituents want to know why.

The questions people are asking in White County and in Crawford County are painfully similar to the complaints I hear in Champaign County. Their message is quite clear—we simply cannot afford Government spending as usual.

So, Mr. Speaker, while I will support the $16 billion increase in military spending called for in the House Budget Committee package, I also want to remind my colleagues of the advice President Reagan gave us back in 1981. The only way to reduce wasteful Government spending the President said, is the same way we would reduce our own children's wasteful spending: we need to cut their allowance and make them do what we all must do—live within our means.

THE FED LOWERS THE DISCOUNT RATE

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

Mr. KASICH. Mr. Speaker, the Federal Reserve's decision to lower the discount rate to 7½ percent is a move that will benefit all Americans, and one that is already beginning to bear fruit.

The immediate results prove the wisdom of this move. The stock market rallied almost 20 points yesterday, surging to an all-time high slightly greater than 1,300. I am confident this much needed reduction in interest rates will be mirrored by improvement in the alignment of the dollar, followed by a strengthening of this Nation's manufacturing and agricultural sectors.

By lowering interest rates and providing a sufficient and prudent supply of money the Fed will do its part to insure this Nation's continued growth.

I am pleased with the Federal Reserve's move to lower interest rates because it will benefit consumers, farmers, and small businessmen. In short, it will benefit America. I am also hopeful it will portend a return to the strong, noninflationary growth we saw in the first half of last year which provided so many new jobs to Americans.

POWER AND RESPONSIBILITY: THE CASE OF LEBANON

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

Mr. DYMALLY. Mr. Speaker, in his farewell address, President Harry Truman, the architect of America's cold war policy, warned his countrymen that America's new world power status required careful guidance. With power comes responsibility, he reminded us, expecting that this early warning would be heeded. It has not. Vietnam stands as a symbol of the misuse of power. Indeed, the CIA's unchecked operations in that country, shortly after Truman left office, eventually led to full-scale military intervention. Most of us now bemoan our adventure into Vietnam. It disturbs me that our current President has not learned the sad lessons of that war, and has unleashed the CIA in Lebanon.

Recent press reports of CIA-inspired terrorist activities in Lebanon have worried Americans about the direction of their foreign policy. Let us stand above our ideological adversaries who embrace terrorism, and denounce the use of terror. Let us use American power in a responsible fashion. Political pressure from a Congress and a President working together can lead to peaceful conclusions. We owe it to ourselves, Mr. Truman's memory, and to all humanity, to remain consistent with this Nation's best democratic principles of diplomacy and peace.

THE "NO COST" GSM PROGRAM

(Mrs. BENTLEY asked and was given permission to address the House

for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the Congress has been bombarded lately with letters and visits from various agricultural interests who do not want to see the cargo preference law apply to the Blended Credit Program or the GSM guarantee programs, as Judge June Green ruled. These interests have even gone so far as to propose legislation which would remove the application of the cargo preference law from our traditional foreign assistance programs where agricultural commodities are exported.

Let me set the record straight on this "No Cost" GSM Program they are so vehement about. Since January 1981, defaults in the GSM Program have cost the U.S. Government $1.7 billion in payments to U.S. banks. For the record, the total accumulated U.S.-flag ocean freight differential in the Public Law 480 program since its inception in 1954 is $1.7 billion. While it took 30 years for U.S.-flag vessels to cost the Government this amount, this one guarantee program on the agriculture interests did it in less than 5 years.

Even though the GSM 102 Program defaults have cost the U.S. Government $1.7 billion, because cargo preference was not applied by USDA to the program, U.S.-flag vessels carried virtually none of the millions of tons of the exports which were financed with these funds.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1965

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 1965, since there is material in that bill that I did not know was in it. I am today introducing legislation known as the Agriculture Expansion Act of 1985, which parallels that legislation but leaves out the cargo preference law.

The SPEAKER pro tempore (Mr. KANJORSKI). Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

JOINT CHIEFS OF STAFF REFORM MEASURES IN THE MILITARY COMMAND REORGANIZATION ACT OF 1985

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

Mr. SKELTON. Mr. Speaker, last week I spoke about a very important defense issue that confronts us—reform of the Joint Chiefs of Staff. I also expressed the need to reaffirm our pledge to finish the important work we have begun in this area.

The essence of the flaws exhibited by the present JCS structure centers upon an inherent conflict of interest caused by the "dual-hatting" of the service chiefs. Specifically, the service chief must assume a role in the JCS in addition to his role as the leader of his own service. A former, distinguished, Chairman of the JCS, Gen. David C. Jones, before congressional testimony, elucidated the problem, "It is very difficult for a service chief, in his service channel, to strongly advocate as the leader of that service certain issues and programs, and then step into what should be a higher arena and step aside from his service position and maybe recommend something different. If a chief departed a great deal, and consistently, from what came up through the system from his service, he would be in danger * * * of losing the support of his own service."

This conflict of interest, created by the dual-hatting of the service chiefs, represents only one of the many flaws that plague the current JCS structure. So I believe it is now time to take stock, discard this obsolete organizational form, and reconstitute it with a revitalized, healthy structure. The remaining portions of my bill on JCS reform, fulfill this very task. The end result will be a highly efficient and effective military command structure.

WELCOME TO THE GOP, BILL LUCAS

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

Mr. SILJANDER. Mr. Speaker, a great thing happened in Detroit, MI, last week. I had the honor of attending a rally where Wayne County executive Bill Lucas decided that the party of Kennedy had lost its vision and the American dream is held in the Republican Party, the party of opportunity and the party of the future.

Bill Lucas follows the tradition of John Connally, Regan, Kilpatrick, Senator GRAMM, Kent Hance from Texas, and others who see that the new vision for America is in the Republican Party. He happens to be black. He happens to be the former sheriff of Wayne County, which incorporates the city of Detroit. He receives over 77 percent of the black vote, and he holds a dream for America of economic security, family stability, safe streets, and international respect.

I say, Bill Lucas, welcome to our party, and I for one look forward to your leadership for the State of Michigan and to your leadership for America's future.

□ 1250

THE BEST BUDGET RESOLUTION

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

Mr. BOEHLERT. Mr. Speaker, we are facing the deadline for Congress to pass a budget resolution. The question on everyone's mind is: Which of the four or five budget alternatives is the one that makes the most sense for our national interests?

I want my colleagues to know that there is a plan that would cut the deficit in half in 3 years without compromising our national defense, without eliminating the most productive government programs, without touching Social Security COLA's, and without a tax increase. It's called A Blueprint for Balance and it was written by the House 92 Group's budget task force. I'm convinced this proposal deserves your support because it would engage both the hearts and minds of the American people in a fair program that recognizes both our fiscal and our social responsibilities.

Let me emphasize the word "fairness." the 92 Group budget package is based on a comprehensive freeze of practically all Federal spending at 1985 levels, including defense. Beyond the freeze, another $19 billion in deficit cuts would be achieved through moderate changes in a wide range of Federal programs.

Let me also emphasize the soundness of the plan. We have developed our proposal over weeks of intensive discussions, and our numbers are backed up by the CBO. There is no "funny money" in our budget.

Finally, let me emphasize the responsiveness of our budget to national needs. A defense freeze at the high 1985 level will help force the reforms that many of us want to see in defense spending. Moreover, our defense numbers for the outyears are identical to those proposed by the House Budget Committee and by the other body.

We do not feel Social Security benefits should be altered within a deficit-reduction plan. And we do not feel our national interests will be served by gutting programs that help our people help themselves to greater prosperity.

When we are spending $265 million a day just for the interest on the national debt, you can be sure we don't want to spend 1 more penny than the President does. Mr. Speaker, I ask my colleagues to take a look at the 92 Group budget proposal. It is deserving of their support.

PROPOSED AGREEMENT BETWEEN THE UNITED STATES AND FINLAND ON PEACEFUL USES OF NUCLEAR ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 99-71)

The SPEAKER pro tempore laid before the House the following mes-

sage from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed:

(For message, see proceedings of the Senate of today, Tuesday, May 21, 1985.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has been concluded on all motions to suspend the rules.

VETERANS' HEALTH CARE AMENDMENTS OF 1985

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 505) to amend title 38, United States Code, to improve the delivery of health care services by the Veterans' Administration, as amended.

The Clerk read as follows:

H.R. 505

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

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Health Care Amendments of 1985".

(b) REFERENCES TO TITLE 38.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—OLDER VETERANS' HEALTH CARE

SEC. 101. COVERAGE OF RESPITE CARE.

(a) AUTHORITY TO PROVIDE RESPITE CARE.—Section 610(a) is amended by striking out "or nursing home care" and inserting in lieu thereof ", nursing home care, or respite care".

(b) DEFINITION.—Section 601 is amended by inserting after paragraph (8) the following new paragraph:

"(9) The term 'respite care' means care furnished by a Veterans' Administration facility on an intermittent or temporary basis to a veteran who has been diagnosed as suffering from a chronic illness and who is receiving care in the individual's home or in a hospice program which has entered into a cooperative agreement with the Veterans' Administration to provide appropriate care for the veteran.".

SEC. 102. DOMICILIARY CARE.

(a) IN GENERAL.—Subsection (b) of section 610 is amended to read as follows:

"(b) The Administrator, within the limits of Veterans' Administration facilities, may furnish domiciliary care to a veteran who is in need of domiciliary care if such veteran is unable to defray the expenses of necessary domiciliary care.".

(b) CONFORMING AMENDMENT.—Section 622 is amended by striking out "610(b)(2)" and inserting in lieu thereof "610(b)".

SEC. 103. OUTPATIENT AND AMBULATORY SERVICES.

Section 612(f)(1)(B) is amended—

(1) by inserting ", nursing home care, or domiciliary care" after "hospital care" the first place it appears;

(2) by striking out "hospital" the second place it appears; and

(3) by striking out "in-hospital" and inserting in lieu thereof "such".

SEC. 104. TRANSFERS FOR NURSING HOME CARE.

Section 620 is amended—

(1) in subsection (a)—

(A) by striking out "care by the Administrator in a hospital" and inserting in lieu thereof "hospital care, nursing home care, or domiciliary care by the Administrator in a facility" in paragraph (1);

(B) by striking out "in such hospital" in clause (i);

(C) by striking out "or (II)" in the second sentence and inserting in lieu thereof "(II) where such nursing home care is required for the treatment of a veteran's service-connected disability; or (III)";

(2) in subsection (d), by inserting after the first sentence the following new sentence: "The Administrator may also authorize such a direct admission for any veteran who has been discharged from a hospital under the direct jurisdiction of the Veterans' Administration and who is currently receiving home health services under a Veterans' Administration hospital-based home care program."; and

(3) in subsection (e), by inserting "and for the purpose of section 641 of this title" after "For the purposes of this section".

SEC. 105. EXPANSION OR GERIATRIC RESEARCH, EDUCATION, AND CLINICAL CENTERS (GRECC) PROGRAM.

Section 4101(f)(1)(A) is amended by striking out "fifteen" and inserting in lieu thereof "25".

SEC. 106. EFFECTIVE DATE.

The amendments made by sections 101 through 105 shall take effect on October 1, 1985, and shall apply to care furnished, and to direct admissions occurring, on or after that date.

SEC. 107. REVISION OF STATE HOME CONSTRUCTION GRANT PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Subsection (a) of section 5033 is amended to read as follows:

"(a)(1) There is authorized to be appropriated to the Administrator for grants under this section—

"(A) the sum of $40,000,000 for fiscal year 1986;

"(B) the sum of $50,000,000 for fiscal year 1987; and

"(C) the sum of $60,000,000 for fiscal year 1988.

"(2)(A) The Administrator shall submit each year to the Committees on Veterans' Affairs of the Senate and House of Representatives a report concerning the operation of this section during the preceding and current fiscal year.

"(B) Each such report shall include—

"(i) a list of those States that have submitted materials to the Administrator that the Administrator considers to be a preapplication for a grant under this subchapter and for which a grant has not been made; and

"(ii) the Administrator's recommendations as to the relative priority to be given to each project for which such a preapplication had been received.

"(2) Each report under this subsection for a fiscal year shall be submitted at the same time that the President's budget for the next fiscal year is submitted to Congress.".

(b) GRANTS MADE BY PRIORITY OF PROJECTS.—(1) Subsection (b) of section 5035 is amended to read as follows:

"(b)(1) Upon receipt of material from a State that the Administrator considers to constitute a preapplication for a grant under this subchapter, the Administrator shall determine—

"(A) whether the project for which the grant is proposed generally meets the requirements of this subchapter; and

"(B) the need for the project described in the preapplication relative to the need for projects described in other such preapplications that have been received by the Administrator.

"(2) In determining the relative need for a project described in such a preapplication, the Administrator shall consider—

"(A) the projected number of veterans who may apply for admission to the facility over the facility's useful life;

"(B) the presence of Veterans' Administration facilities in the geographic area of the proposed project (including Veterans' Administration facilities in adjacent States) that may be available to provide nursing home or domiciliary care to such veterans;

"(C) the number of other facilities in the geographic area of the proposed facility that may be available to provide nursing home or domiciliary care to such veterans; and

"(D) such other matters as the Administrator considers appropriate.

"(3) Upon receipt of an application for a grant under subsection (a) of this section, the Administrator—

"(A) shall determine whether the application meets the requirements of this section and of the regulations prescribed under section 5034 of this title; and

"(B) shall notify the State submitting the application whether the application conforms with those requirements and, if it does not, of the actions necessary to bring the application into conformance with those requirements.

"(4) After determining the relative need for a project with respect to which an application for assistance under this subchapter has been submitted, the Administrator, subject to paragraph (5) of this subsection, may approve the amount of assistance applied for in the application in whole or in part.

"(5) An application for assistance under this subchapter may not be approved unless the Administrator determines—

"(A) that the project meets the standards prescribed under section 5034(2) of this title; and

"(B) that completion of the project, when considered together with other facilities for which grants have been made under this subchapter and other facilities, would not result in there being in the State concerned a number of beds available for the furnishing of nursing home care to veterans in that State more than the number of beds prescribed by the Administrator under section 5034(1) of this title for that State.".

(2) Subsection (d) of such section is amended—

(A) by striking out the first sentence; and

(B) by striking out "Such certification shall provide for payment" in the second sentence and inserting in lieu thereof "The amount of a grant under this subchapter shall be paid".

(c) TECHNICAL AMENDMENT.—Section 5031 is amended by redesignating paragraphs (a), (b), and (c) as paragraphs (1), (2), and (3), respectively.

(d) REPEAL OF LIMIT ON GRANTS TO ANY STATE.—Section 5035(d) is amended—

(1) by striking out "(1)"; and

(2) by striking out paragraph (2).

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1985.

(f) TRANSITION PROVISIONS.—A State which files documents with the Veterans' Administration before October 1, 1985, that the Administrator considers constitute a preapplication for a grant under section 5035 of title 38, United States Code, as in effect on September 30, 1985, shall have until October 1, 1987, to file all documents necessary for a complete application for the grant. If such an application is approved by the Administrator, the grant shall be made in accordance with the procedures applicable under such section as in effect on September 30, 1985.

TITLE II—OTHER HEALTH CARE PROGRAM AMENDMENTS

SEC. 201. CLARIFICATION OF REQUIREMENT OF CONGRESSIONAL AUTHORIZATION OF MEDICAL FACILITY CONSTRUCTION AND ACQUISITION PROJECTS.

Section 5004(a)(1) is amended—

(1) by inserting "(A)" after "unless"; and

(2) by inserting after "cost thereof" the following: "; (B) the appropriation law making the appropriation specifies the medical facility for which the appropriation is made and the amount appropriated for the project, and (C) the amount appropriated for the project (when added to any amount previously appropriated for the project) does not exceed the estimated cost of the project as set forth in the pertinent committee resolutions".

SEC. 202. STUDENT NURSES.

(a) APPOINTMENTS.—Section 4114(a)(3) is amended—

(1) by striking out "shall not" in the second sentence of subpargraph (A) and inserting in lieu thereof "may"; and

(2) by adding at the end the following new subparagraph:

"(C) Any individual other than a student nurse technician who receives an appointment that is limited by this section to one year may not be reappointed.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1985.

SEC. 203. PERMANENT AUTHORIZATION FOR HALFWAY HOUSES.

(a) TERMINATION OF STATUS AS PILOT PROGRAM.—Subsection (a)(1) of section 620A is amended—

(1) by striking out "may conduct a pilot program under which the Administrator"; and

(2) by striking out the second sentence of such subsection.

(b) TERMINATION OF PROGRAM.—Subsection (e) of such section is amended by striking out "after the" and all that follows and inserting in lieu thereof "after September 30, 1988".

(c) REPORT.—Subsection (f) of such section is amended to read as follows:

"(f) Not later than December 31, 1987, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the operation of the program authorized by this section.".

(d) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities".

(2) The item relating to such section in the table of sections at the beginning of chapter 17 is amended to read as follows:

"620A. Treatment and rehabilitation for alcohol or drug dependence or abuse disabilities.".

SEC. 204. CONTRACT-CARE AUTHORITY OUTSIDE THE 48 CONTIGUOUS STATES.

(a) THREE-YEAR EXTENSION OF TERMINATION DATE.—Section 601(4)(C)(v) is amended by striking out "September 30, 1985" and inserting in lieu thereof "September 30, 1988".

(b) PHASE-OUT OF EXTRAORDINARY AUTHORITY IN PUERTO RICO.—(1) Effective on October 1, 1987, such section is amended by striking out "to the Commonwealth of Puerto Rico and".

(2) During fiscal year 1986, the excess load may not exceed 75 percent of the excess load for fiscal year 1985.

(3) During fiscal year 1987, the excess load may not exceed 50 percent of the excess load for fiscal year 1985.

(4) For the purpose of this subsection, the term "excess load" means the extent to which (under the waiver authority of the Administrator under section 601(4)(C)(v) of title 38, United States Code)—

(A) the hospital patient load and the incidence of the provision of medical services by the Veterans' Administration to veterans in Puerto Rico during a fiscal year, exceed

(B) the hospital patient load and the incidence of the provision of medical services for veterans hospitalized or treated by the Veterans' Administration within the 48 contiguous States during that fiscal year.

SEC. 205. HEALTH PROFESSIONALS SPECIAL PAY.

(a) CLARIFICATION OF SPECIAL PAY.—Paragraph (4) of subsection (e) of section 4118 is amended to read as follows:

"(4) A physician or dentist who becomes employed in the Department of Medicine and Surgery and who thereafter enters into an agreement under this section is entitled to special pay beginning on the date on which the agreement is entered into, or the date on which the physician or dentist becomes employed, whichever date is later.".

(b) TREATMENT OF SPECIAL PAY IN COMPUTATION OF ANNUITIES.—Subsection (f) of such section is amended—

(1) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) Except as provided in paragraph (4) of this subsection, additional compensation paid as special pay under this section after September 30, 1980, to a full-time employee shall be included in basic pay for purposes of chapter 83 of title 5."; and

(2) by adding at the end the following new paragraph:

"(4)(A) Except as provided in subparagraph (B) of this paragraph, special pay paid to a full-time employee after September 30, 1980, shall be included in average pay (as defined in section 8331(4) of title 5) for the purposes of computing an annuity under such chapter only if—

"(i) the annuity is paid under section 8337 of such title or under subsection (d) or (e) of section 8341 of such title; or

"(ii) the employee has completed not less than 15 years of full-time service in the Department of Medicine and Surgery.

"(B) Special pay may not be included in average pay in computing an employee's annuity that commences before October 1, 1985. Special pay paid after September 30, 1980, shall be included in average pay in computing an annuity that commences on or after October 1, 1985, as follows:

"(i) 50 percent of such special pay shall be included in computing an annuity that commences after September 30, 1985.

"(ii) 60 percent of such special pay shall be included in computing an annuity that commences after September 30, 1986.

"(iii) 70 percent of such special pay shall be included in computing an annuity that commences after September 30, 1987.

"(iv) 80 percent of such special pay shall be included in computing an annuity that commences after September 30, 1988.

"(v) 90 percent of such special pay shall be included in computing an annuity that commences after September 30, 1989.

"(vi) 100 percent of such special pay shall be included in computing an annuity that commences after September 30, 1990.".

(c) REQUIREMENT OF PERFORMANCE RATING OF FULLY SATISFACTORY.—Subsection (a)(2) of such section is amended—

(1) by striking out "or" at the end of clause (B);

(2) by striking out the period at the end of clause (C) and inserting in lieu thereof a comma and "or"; and

(3) by adding at the end the following new clause:

"(D) receives a performance rating of less than fully satisfactory.".

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. AUTHORITY TO RELEASE LIMITATION ON USE OF REAL PROPERTY, McKINNEY, TEXAS.

(a) IN GENERAL.—The Administrator of Veterans' Affairs may execute such instruments as may be necessary to release the limitation to recreational purposes only on the use of the land described in subsection (b).

(b) LAND DESCRIPTIONS.—The land referred to in subsection (a) is two parcels of land, consisting of a total of 38.741 acres, that were conveyed by the Administrator to the city of McKinney, Texas, by deed of May 5, 1965, under the authority of Public Law 88-438 (78 Stat. 444, approved August 14, 1964).

SEC. 302. LAND TRANSFER, PHOENIX, ARIZONA.

(a) REQUIREMENTS FOR INTERGOVERNMENTAL LAND TRANSFER WITHOUT REIMBURSEMENT.—The real property described in subsection (b) shall be transferred without compensation or reimbursement from the control and jurisdiction of the General Services Administration to the control and jurisdiction of the Veterans' Administration.

(b) LAND DESCRIPTION.—The land referred to in subsection (a) is a tract of land consisting of 3.4 acres, more or less, in Phoenix, Arizona, that—

(1) was formerly part of the Veterans' Administration Medical Center, Phoenix, Arizona; and

(2) was declared to be excess to the needs of the Veterans' Administration in a report to the General Services Administration dated September 25, 1959.

SEC. 303. DEMONSTRATION PROJECTS FOR CHIROPRACTIC CARE.

(a) AUTHORITY TO CONDUCT DEMONSTRATION PROJECTS.—(1) The Administrator of Veterans' Affairs shall conduct demonstration projects for the purpose of evaluating the cost-effectiveness and medical effective-

ness of providing chiropractic care compared to medical care for veterans with neuromusculoskeletal conditions. In the conduct of such demonstration projects, chiropractic care may be provided in private facilities or chiropractic colleges as approved in guidelines issued by the Administrator.

(2) Such demonstration projects shall be carried out in three geographically-dispersed locations in the United States.

(3) In the conduct of such demonstration projects, the Administrator shall consult with the Secretary of Defense concerning the conduct of demonstration projects by the Secretary of Defense under section 632(b) of the Department of Defense Authorization Act, 1985 (Public Law 98-525).

(b) CONSULTATION WITH MEDICAL AND SCIENTIFIC AUTHORITIES.—In designing, conducting, and evaluating such demonstration projects, the Administrator shall obtain advice and recommendations from recognized medical or scientific authorities in the treatment of neuromusculoskeletal conditions. The Administrator shall ensure that there is adequate participation by chiropractors in the design and evaluation of the demonstration projects, including participation by representatives from chiropractic colleges recognized by an approved accrediting organization.

(c) REPORT.—After consulting with the Secretary of Defense, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the results of the demonstration projects conducted pursuant to subsection (a). The report shall be submitted not later than October 1, 1988.

SEC. 304. VETERANS' ADMINISTRATION MANAGEMENT PROVISIONS.

(a) PROSTHETICS SERVICE.—(1) The Administrator of Veterans' Affairs may undertake the administrative reorganization described in paragraph (2) without regard to the requirements of section 210(b)(2) of title 38, United States Code.

(2) The administrative reorganization referred to in paragraph (1) is a reorganization within the Department of Medicine and Surgery of the Veterans' Administration to transfer the functions of the Technology and Performance Evaluation Section and the Information and Education Service at the Veterans' Administration Prosthetics Center in New York, New York, to a new Prosthetics Assessment and Information Center in the vicinity of Washington, D.C.

(b) PERSONNEL.—SECTION 210(B) IS AMENDED BY ADDING AT THE END THE FOLLOWING NEW PARAGRAPH:

"(3)(A) The Administrator may not in any fiscal year implement a grade reduction described in subparagraph (B) of this paragraph unless the Administrator first submits to the Committees on Veterans' Affairs of the Senate and the House of Representatives a report containing a detailed plan for such reduction and the justification for a plan, including a determination by the Administrator, together with data supporting such determination, that, in the personnel area concerned, the Veterans's Adminstration has a disproportionate number of employees at the salary grade or grades selected for reduction in comparison to the number of such employees at the salary levels involved who perform comparable functions in other departments and agencies of the Federal Government and in non-Federal entities. Any such report shall be submitted not later than the beginning of a period of 90 calendar days (not including any day on which either House of Congress is not in session) before the implementation of any proposed grade reduction.

"(B) A grade reduction referred to in subparagraph (A) of this paragraph is a systematic reduction, for the purpose of reducing the averge salary cost of Veterans' Administration employees performing certain functions, in the number of Veterans' Administration employees at any specific grade level who perform those functions.

"(C) Not later than the forty-fifth day after the Administrator submits a report pursuant to subparagraph (A) of this paragraph, the Comptroller General of the United States shall submit to such committees a report on the Administrator's compliance with such subparagraph. The Comptroller General shall include in the report the Comptroller General's opinion as to the accuracy of the Administrator's determination (and of the data supporting such determination) made pursuant to such subparagraph.".

SEC. 305. INDEPENDENT CLINIC, TOLEDO, OHIO.

(A) CHANGE OF STATUS OF EXISTING SATELLITE OUTPATIENT CLINIC.—The Administrator of Veterans' Affairs shall change the status of the Veterans' Administration satellite outpatient clinic located on Glendale Avenue in Toledo, Ohio, to that of an independent clinic.

(B) FUNDING OF INDEPENDENT CLINIC.—Within the funds available for operation of Veterans' Administration medical facilities in any fiscal year, the Administrator shall ensure that adequate funding is provided for the efficient operation of such clinic after its change in status to that of an independent clinic.

(c) EFFECTIVE DATE.—This section shall take effect on October 1, 1985.

The SPEAKER pro tempore. Is a second demanded?

Mr. HAMMERSCHMIDT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a major veterans' health care bill that will help many of our veterans who are experiencing health problems.

The aging of America's veteran population will challenge the VA health care system during the next 15 years and we must be prepared to meet that challenge. In 1980, 3 million veterans were over the age of 65. By 1990, this number will more than double, reaching 7.2 million. By the turn of the centruy, veterans over the age of 65 will number more than 9 million. They will be coming to the VA for health care more often because of their age and they will stay longer.

We are prepared to meet this challenge, Mr. Speaker, under the direction of the able, distinguished gentleman from Pennsylvania [Mr. EDGAR] and the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT], the ranking minority member of the committee, who is also ranking minority member of the subcommittee.

Mr. Speaker, the gentleman from Arkansas [Mr. HAMMERSCHMIDT] was honored in his hometown last Sunday. The Vice President participated, as well as eight of his colleagues. It was a tremendous celebration. For those who are unaware of what took place, I have inserted an item in the extensions of remarks about this event. It was an honor richly deserved by the gentleman from Arkansas.

Mr. Speaker, before I yield to the gentleman from Pennsylvania [Mr. EDGAR] who is the ranking member and is the chairman of the subcommittee, I would like to take about a minute to discuss briefly some of the areas that the gentleman from Pennsylvania [Mr. EDGAR] and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] will cover in more detail.

The bill would allow the VA to expand from 15 to 25 the number of geriatric research, education, and clinical centers.

It would authorize the VA to direct grant moneys for State veterans' homes to areas of the country where there is the greatest need.

It will extend for 3 years the VA's authority to contract for care of nonservice-connected veterans in Puerto Rico and the Virgin Islands.

It will authorize a 3-year demonstration project at three locations for the VA to test the cost and health care effectiveness of chiropractic care.

Mr. Speaker, I yield as much time as he would like to the chairman of the subcommittee, the gentleman from Pennsylvania [Mr. EDGAR].

Mr. EDGAR. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I am pleased to rise in support of H.R. 505, the "Veterans' Health Care Amendments of 1985," a bill which I introduced and which, as amended, was reported unanimously out of the Subcommittee on Hospitals and Health Care and the full Committee on Veterans' Affairs. This bill also incorporates provisions derived from H.R. 788, H.R. 789, H.R. 1303, H.R. 1818, H.R. 1899, and H.R. 2227. As chairman of the Subcommittee on Hospitals and Health Care, I am pleased to have helped bring this bill before my colleagues in this body.

Our schedules in committee and here on the floor have been hectic ones during this Congress. Concerns about the deficit and about how to devise a budget for this country have been overriding issues. Yet, we cannot forget the commitments to people and purposes that the citizens and Members of Congress alike have made over

the years. This bill is intended to address one group of such deserving citizens: men and women who have served in the defense of their country. This bill contains provisions which encourage the cost-effective delivery of medical care by the Veterans' Administration. It would become part of the record of this body as an acknowledgement of the service of these men and women.

In renewing our commitment to these veterans, I am pleased to tell you that H.R. 505, as amended, contains no new entitlement authority. Of the $61 million which is the cost estimate of the CBO, $55 million is for extension of existing authorities. These existing authorities include the reauthorization of the State Veterans' Home Grant Program, the extension of the VA's authority to treat in community programs veterans suffering from alcohol and drug abuse dependencies, and the extension of the contract authority in Puerto Rico and the Virgin Islands. The remaining $6 million reflects a proposed new authority which permits veterans in VA nursing homes and domiciliaries to be admitted directly into community nursing homes. The existing requirement to admit veterans first into more costly hospital beds would be eliminated.

H.R. 505 has three titles. The first title is "Older Veterans' Health Care." Discussions of the anticipated impact of the numbers of veterans who are aging have occurred frequently in agencies of the Federal Government and in popular and scientific publications. We, here in the Congress, have also been concerned about the "graying veteran" and about the graying of nonveterans as well. The seven sections of this title are designed to provide cost-effective alternatives to institution-based health care delivery and to make more efficient the provision of institutional care when it is medically necessary. The use of health care services increases with increasing age so it is more important than ever to get the most out of each national dollar spent. Alternatives to expensive institutions will provide more veterans with health care services for the same dollar. Specific descriptions of the sections of title I follow.

Section 101 would authorize respite care for veterans suffering from chronic long-term illnesses. This provision was in the bill I originally introduced and would free hospital beds now occupied by those who could be cared for in their homes if some brief temporary relief for their caregivers, usually their families, is available.

Section 102 concerns domiciliary care. This provision would equalize eligibility for domiciliary care for veterans with service-connected disabilities by removing restrictions to admission of those veterans.

Section 103 would allow veterans who would otherwise remain in nursing homes and domiciliaries to receive outpatient care to complete their medical treatments. This provision would avoid the use of costly inpatient beds.

Section 104 would allow veterans who are in VA nursing homes, domiciliaries, or hospital-based home care programs to be admitted directly into a community nursing home. The current requirement is to be admitted first to a VA hospital. This provision would avoid the cost of admitting, using, and then being discharged from expensive hospital beds.

Section 105 would allow the VA to expand from 15 to 25 the number of Geriatric Research, Education, and Clinical Centers [GRECC's]. The successful GRECC Program encourages research and treatment of diseases affecting older veterans.

Section 106 sets the effective date for these sections as October 1, 1985.

Section 107 would change the way that grants for construction, renovation, or acquisition of State veterans' homes are awarded; it would authorize up to $40 million for the program in fiscal year 1986, up to $50 million in fiscal year 1987, and up to $60 million in fiscal year 1988. This section would also direct that grant moneys for State Veterans' Homes be awarded to areas of greatest need. It would allow a 2-year continuation of the current method of "first-come, first-served" for States to complete pending applications, and would repeal the limit on the amount of grants to any State.

Title II of H.R. 505, as amended, consists of "other health care program amendments." The five sections in this title affect VA medical care programs which are not primarily oriented to older veterans.

Section 201 is a technical amendment to title 38 of the United States Code concerning the committee's construction resolution.

Section 202 would permit the VA to hire for more than a 1-year period, student nurses and graduate nurses who are not yet registered in a State. I introduced this provision [originally H.R. 788] at the request of the VA. This section would permit those nurses to obtain health insurance and certain other employment benefits.

Section 203 would extend the authority of the VA to contract with halfway houses and other community treatment facilities for treatment of veterans with alcohol or drug abuse problems until September 30, 1988. The current authority expires September 30, 1985. I introduced this provision [originally as H.R. 789] which was cosponsored by two of my colleagues from Florida, Mr. MICA and Mr. LEHMAN.

Section 204 would extend for 3 years the VA's authority to contract for care of non-service-connected veterans in Puerto Rico and the Virgin Islands. This section also provides a 3-year phaseout in Puerto Rico of the so-called extraordinary authority of the VA to contract for such care at levels which exceed levels of comparable services within the 48 contiguous States. I deeply appreciate the sincere concern and sponsorship of the gentleman who represents the Virgin Islands, Mr. DE LUGO. I also deeply appreciate the sincere concern and support of the gentleman who represents Puerto Rico, Mr. FUSTER. Both Mr. DE LUGO and Mr. FUSTER have worked closely with us to develop this provision. Their concern for the veterans in those areas played a large role in helping us develop this legislation.

Section 205 was introduced originally by Chairman MONTGOMERY [by request] as H.R. 1899. It would change, for VA physicians and dentists, the computation of special pay for retirement purposes by permitting an incremental increase, from 50 percent in 1985 to 100 percent in 1990, of the amount of special pay that may be included in the computation of retirement pay. The provision also requires a performance rating of fully satisfactory. CBO has estimated no cost with this provision.

Title III of H.R. 505 is entitled, "miscellaneous provisions," and contains five sections.

Section 301 was introduced originally as H.R. 1818 and would permit the city of McKinney, TX, to sell land which was previously owned by the VA.

Section 302 was an amendment I offered which would transfer 3½ acres of land located next to the Phoenix VA Medical Center from the General Services Administration to the VA at no cost to the VA.

Section 303 was originally introduced as H.R. 2227 by me and cosponsored by Chairman MONTGOMERY. This section would authorize a 3-year demonstration project at three locations to test the cost-efficiency and clinical benefits of chiropractic care.

Section 304 was originally introduced by me as H.R. 1303 at the request of the VA. It would allow the VA to move certain functions of the VA Prosthetics Center from New York City to Washington, DC, before October 1, 1985. It also prohibits further implementation of GS 11-15 grade reductions without specific proof of overgrading at the VA. As is well-known, the Office of Personnel Management and the Office of Management and Budget responded to a recommendation of the Grace Commission by proposing a reduction in funding which would equate to an annual 2-percent reduction for these positions in fiscal years 1985 to 1989. This provision would require a detailed report to

the Congress before implementing a grade reduction of VA employees.

Section 305 was an amendment offered by my colleague from Ohio, Ms. KAPTUR. This section would require the VA to change the status of the satellite outpatient clinic in Toledo, OH, to that of independent clinic.

I would like to thank the chairman of the full committee, Mr. MONTGOMERY, whose support of this bill, as well as all of our health care bills, was important to its success. He is an untiring supporter of veterans, and it is an honor to serve with him. I also very much appreciate the support and sincere concern expressed by the ranking minority member of the full committee, Mr. HAMMERSCHMIDT. Of course, without the work, effort, and contributions of the members of the subcommittee, this legislation would not be as beneficial to our Nation's veterans as I believe it will be.

Mr. Speaker, I strongly urge my colleagues to support H.R. 505, as amended.

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Mr. HAMMERSCHMIDT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 505, the Veterans' Health Care Amendments of 1985. This measure is a comprehensive one and will make a number of improvements in the capabilities of the Veterans' Administration to deliver cost-effective and appropriate health care to America's veterans.

H.R. 505 has several provisions which will be particularly important to older veterans. It will authorize the VA to provide hospital treatment under a concept developed in recent years and known as respite care. The families of many veterans suffering from long-term chronic illnesses can care for them in their homes if an occasional temporary rest from caring for them is possible.

Respite care makes such a rest possible by permitting the VA to hospitalize veterans for short periods of time in order to allow that opportunity for their family care-givers. This sensible approach of allowing short hospital stays has the potential for significant savings of the taxpayer's money by enabling veterans to avoid long-term institutional care.

Some older veterans with service-connected disabilities who need domiciliary care have been faced with a quirk in the law governing admission to domiciliaries.

The current law has certain restrictions on eligibility which tend to favor non-service-connected veterans. This runs counter to the general emphasis on providing priorities to service-connected veterans. H.R. 505 will rectify this situation.

Older veterans would benefit from a money-saving proposal in this bill which concerns eligibility for VA outpatient services.

Currently, a veteran discharged from a domiciliary or nursing home is not eligible for followup outpatient care. The expensive result is that some veterans are kept in institutions in order to receive medical care they would not be eligible to receive if they were discharged. H.R. 505 has a provision allowing veterans discharged from a domiciliary or nursing home to remain eligible for this followup care.

Another provision of H.R. 505 would allow transfer of veterans directly from VA nursing homes and domiciliaries to community nursing homes. Such transfers are not authorized by current law. A veteran in a VA nursing home, for example, must needlessly be admitted to a VA hospital so that he or she can be transferred to a community nursing home. This waste of resources should be ended.

The Committee on Veterans' Affairs has encouraged the VA to enhance its ability to give geriatric care in part through establishment of Geriatric Research, Education, and Clinical Centers (GRECC's). Fifteen GREECC's are authorized, but only 10 will be in operation by the end of fiscal year 1986. H.R. 505 would authorize an additional 10 such centers.

The increasing numbers of elderly veterans predictably will strain the VA's nursing home facilities.

State veterans' homes are a promising avenue of meeting an important part of veterans' nursing home needs. A number of States without veterans' homes desire to have them and there is a growing backlog of eligible preapplications for VA grants which would cover 65 percent of construction costs. Because of the backlog, the first-come first-served system of processing applications should be replaced by a system which will give priority to those States having the greatest needs.

This measure would, after a transition period, require such a priority system. This measure would also authorize an additional $30 million for State homes, to keep pace with eligible preapplications. It is vitally important that construction of State homes be kept at a steady pace, so that demand will not get too far ahead of capacity.

For the past 5 years, the VA has been operating a pilot program for contract community halfway houses to help certain veterans with alcohol and other drug problems.

The pilot program has been successful with rehabilitation in difficult cases. The program would be made permanent by this measure.

H.R. 505 contains provisions to provide for 3 additional years of continuing contract care for veterans in Puerto Rico and the Virgin Islands.

It contains as well provisions to improve the VA's flexibility in employing student nurses who are about to graduate from nursing school; to include special pay in the computation of retirement pay for VA physicians and dentists; to allow the VA to move ahead with the long-needed reorganization of the VA's prosthetics center by a one-time exemption from certain statutory requirements for notice to Congress; and to require a detailed report from the VA before it takes any steps to reduce grade levels of certain VA employees.

I thank the gentleman from Mississippi [Mr. MONTGOMERY], who is chairman of the Committee on Veterans' Affairs, for his leadership of the committee on H.R. 505, and I also appreciate the considerable efforts of the gentleman from Pennsylvania [Mr. EDGAR], on this bill as chairman of the Subcommittee on Hospitals and Health Care.

And I thank them both for their previous comments about the Vice President's visit last Sunday to my hometown in Arkansas. I was especially pleased and honored that our very able and distinguished chairman, SONNY MONTGOMERY was able to join us for the occasion.

To sum up this measure, Mr. Speaker, it is a big step in the right direction. It will enable the VA to carry out its health care activities more effectively and efficiently, and to meet the needs of the future as the number of older veterans grows. I urge each Member to vote in favor of it.

Mr. Speaker, I reserve the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I would like to again compliment the gentleman from Pennsylvania [Mr. EDGAR] for the time that he has spent as chairman of this subcommittee. We have 172 veterans hospitals around the country and about 226 outpatient clinics. The gentleman from Pennsylvania [Mr. EDGAR] and the gentleman from Arkansas [Mr. HAMMERSCHMIDT] have visited almost all of those hospitals and outpatient clinics, seeing what our veterans need.

Mr. Speaker, at the Democratic desk we have summary blue sheets, that fully explain this bill before the House today, which may be helpful to my colleagues. This is a good bill and I urge its adoption.

I have no further requests for time and I yield back the balance of my time.

● Mr. DE LUGO. Mr. Speaker, I rise today in support of H.R. 505, a bill to improve the delivery of health care services to our Nation's veterans. I would also like to offer my special thanks to Representative BOB EDGAR, for offering an amendment to this bill that authorizes contract health care for Virgin Island veterans for 3 years.

Prior to this legislation, this authority had only been granted on a year-to-year basis.

The Virgin Islands do not have a veterans hospital for our veterans to go to when they have health problems. The closest VA hospital is in Puerto Rico. Therefore, it is essential that these veterans have the authority to contract with the doctor of their choice. A doctor who is familiar with their problems, and whose office is close to their home. Representative EDGAR's amendment recognizes these unique circumstances, and will assure that this special authority continues for 3 years.

Furthermore, our Nation now has 28.2 million living veterans and 54 million survivors and dependents of veterans. These groups comprise 35 percent of the U.S. population. We in the Congress have the unique ability, and responsibility, to honor our veterans. We can do this by paying tribute to them now through the provision of tangible benefits and services. We can do this today by approving a bill to improve the quality of health care our veterans receive.

Thank you.●

Mr. HAMMERSCHMIDT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 505, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend title 38, United States Code, to improve the delivery of health-care services by the Veterans' Administration, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on H.R. 505, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

CENTENNIAL ANNIVERSARY OF THE HOLSTEIN-FRIESIAN ASSOCIATION OF AMERICA

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 172) to recognize the centennial anniversary of the Holstein-Friesian Association of America, a premier dairy cattle breed organization.

The Clerk read as follows:

H. RES. 172

Whereas the Holstein-Friesian Association of America (hereinafter referred to as the Holstein Association) is a premier dairy cattle breed organization;

Whereas the Holstein Association, a nonprofit membership organization of more than forty-four thousand breeders of purebred, registered Holstein dairy cattle, was organized on May 25, 1885, and this year celebrates its one hundredth anniversary;

Whereas the Holstein breed of dairy cattle produces more than 90 per centum of the Nation's milk supply;

Whereas the Holstein Association maintains the only official, complete genetic data bank and lineage record for all purebred, registered Holstein dairy cattle in the United States;

Whereas the Holstein Association through its many programs and services to the dairy industry has provided, and continues to provide, an environment, incentive, and genetic data for the continued improvement of the Holstein breed;

Whereas United States Holstein cattle are recognized worldwide as the superior strain of Holstein breeding stock; and

Whereas the genetic pool of the Holstein breed in the United States has become the primary source of genetic material for the development and improvement of dairy cattle throughout the world: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives of the United States of America in Congress assembled, that—

(1) recognition be extended to the Holstein-Friesian Association of America for its most noteworthy contribution to the great American Agricultural Revolution;

(2) special commendation be extended to the Holstein Association for its contribution to the genetic advancement and the efficiency of the national dairy herd; and

(3) The Holstein Association be specifically complimented on the advancement of the Holstein breed of dairy cattle in the United States and the contribution being made through its genetic pool of purebred, registered animals to the advancement of the Holstein breed worldwide.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes and the gentleman from Florida [Mr. LEWIS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Resolution 172, to recognize the centennial anniversary of the Holstein-Friesian Association of America, a premier dairy cattle breed organization.

The resolution expresses the sense of the House of Representatives that the Holstein-Friesian Association of America be recognized for the contribution that it has made to the American agricultural revolution and to the genetic advancement and efficiency of the national dairy herd. The association was organized 100 years ago, on May 25, 1885. Over the last century, the association and its membership, now numbering more than 44,000 breeders of purebred Holstein cattle, have done tremendous work in improving that breed of cattle. Holstein cattle presently produce more than 90 percent of this Nation's milk supply.

The association provides many services to the dairy industry in this country. Further, its work is one of the primary reasons that U.S. Holstein cattle are recognized as the superior strain of breeding stock. In short, the association and its members have made a tremendous contribution to the nutritional well-being not only of the consumers in the United States, but of those in many other countries of the world as well.

For its many and continuing contributions the Holstein-Friesian Association of America merits the recognition and commendation of the House. House Resolution 172 expresses that recognition and commendation. I would add that the accomplishments of this association contribute significantly to the abundance of food enjoyed by the American people, an abundance unmatched in history and available for a smaller portion of the consumer's disposable income than is the case in any other country.

As I conclude, Mr. Speaker, I would like to express my sincere appreciation to the Post Office and Civil Service Committee to whom this resolution was jointly referred—and particularly to the distinguished gentleman from New York [ROBERT GARCIA]. They have been most cooperative in making it possible for the resolution to be brought up today in such timely fashion. My colleagues on the Agriculture Committee and I are most grateful for their consideration.

I hope all Members will join me in supporting House Resolution 172.

Mr. Speaker, I reserve the balance of my time.

Mr. LEWIS of Florida. Mr. Speaker, I yield myself such time as I may consume.

I want to congratulate the chairman for bringing this resolution to the floor, and add that the minority is pleased to support House Resolution 172, recognizing the centennial anniversary of the Holstein-Friesian Association of America.

I would also like to add my own personal congratulations to the association on its 100th anniversary. This is an important tribute to the thousands of breeders and millions of cattle who have made the American dairy industry the most productive and efficient in the world.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

● Mr. JEFFORDS. Mr. Speaker, we have before us a resolution to recognize an organization which has had a large part in creating one of the scientific marvels of American agriculture—the Holstein cow. Holsteins make up 90 percent of our Nation's dairy herd and produce over 90 percent of our milk. What is so remarkable about these animals is that average milk production per cow has more than doubled since 1950: From 5,314 pounds per cow then, 12,587 pounds per cow today. This phenomenal increase in output per cow is the primary reason why Americans need spend the income from only 7.7 minutes of work to purchase one-half gallon of fresh, fluid milk at the store. This increase also largely explains why retail dairy prices consistently rise at a significantly slower rate than do retail prices for all foods and all retail items.

This tremendous gain in productivity did not happen by chance. For 100 years now, the Holstein Association has been working to improve the genetic potential of the cows that have enabled us to enjoy this bountiful harvest of nature's most perfect food.

First chartered by the State Legislature of New York—probably the second greatest dairy State in the Nation—the Holstein Association today counts as members 44,000 breeders of purebred, registered Holstein dairy cattle and continues to provide the incentive and genetic data for the continued improvement of the Holstein breed. American Holsteins have over the years become the primary source of genetic material for development and improvement of dairy cattle throughout the world, thanks to the market development activities of the association.

I want to commend the association for its accomplishments. I normally drink several glasses of milk a day, but tonight I'm going to have an extra one to commemorate the 100th anniversary of the association.●

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and agree to the resolution, House Resolution 172.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

UNITED STATES-MEXICO INTERPARLIAMENTARY MEETING

(Mr. DE LA GARZA asked and was given permisison to address the House for 1 minute.)

Mr. DE LA GARZA. Mr. Speaker, I take this time to advise the Members that this afternoon our colleague from Pennsylvania [Mr. YATRON], and I will have a 1-hour special order in order that we might advise the Members, and in effect report to the membership about our United States-Mexico interparliamentary meeting that we just concluded last week in Mexico. I would hope that not only Members of the delegation would attend the session but any Member interested in our relations between the United States and Mexico would participate. And I would hope that many of the Members, and this is a special invitation to any Member, regardless of whether they were a part of the Members named by the Speaker of the House to attend this meeting or not that we might be able to discuss the proceedings and the gains that we made, our little successes and sometimes our little failures, as we endeavored from the legislative end to continue the input which we have or can have in our relations with Mexico.

So I would hope that our colleagues would join us later this afternoon as we have this special order after we have concluded with the business of the day and that we might be able to explore some of the areas that are critical to our understanding and goodwill between our two countries.

□ 1310

Last week I took a special order to make a preliminary report, Mr. Speaker, as to the proceedings of these sessions which we had. This week we will have other members of the delegation and, as I have stated, hopefully we will have input from other Members even though they were not members of the delegation so that we might discuss the issues that are so important to the relationship between our two neighboring countries, the United States and Mexico.

USE OF SMALL BUSINESSES WITH RESPECT TO TAX EXEMPT BONDS

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

Mr. MITCHELL. Mr. Speaker, today, I am introducing H.R. 2551. This legislation is designed to encourage the use of underutilized small businesses with respect to tax exempt bonds.

Small business is quickly becoming the dominant force in the American economy. Small companies produce 43 percent of the total gross national product [GNP], and 55 percent of all jobs are in this sector.

This legislation recognizes the vital importance of this sector and provides incentives to meet those challenges of the future. A section-by-section analysis of H.R. 2551 is as follows:

Section 1. Subsection (a) contains amendments to sections 103 of the Internal Revenue Code of 1954 (relating interest on certain governmental obligations) to provide as follows:

This would add to subsection (b) of section 103 a new paragraph (19) which would provide in subparagraph (A) that the interest on certain obligations related to exempt activities, industrial parks, and small issues shall be exempt from Federal income tax only if at least 10 percent of the proceeds of the issue are to be expended with underutilized small businesses. Subparagraph (B) provides that if Secretary of the Treasury determines that the 10 percent requirement of subparagraph (A) cannot reasonably be expected to be met with respect to an issue, the Secretary may reduce such requirement for such an issue to a percentage which the Secretary determines can be reasonably be expected to be met. Subparagraph (C)(1) creates the Good Faith Attempt exception to Paragraph (A). An issue which fails to meet the requirement of subparagraph (A) shall be treated as meeting such requirement if there was a good faith attempt to meet such requirement. This subparagraph further provides that this proposal shall not apply to any issue (or even class of issues) if the Secretary determines by regulations that application of this paragraph to such issues (or class) will not further the purposes of this paragraph. This paragraph gives the Secretary the authority to avoid circumstances in which the application of those provisions are unenforceable, unconscionable, or impracticable, or that would not further the purpose of this section. Subparagraph (D) would define available proceeds as the total amount of the industrial development bonds issue which are to be used directly or indirectly for the purchase of property or services. Ten percent of the total amount of the issue shall be expended with underutilized small businesses. This amount may be reduced, as appropriate, by regulations to be promulgated by the Secretary. The term 'underutilized small business' is defined as any small business concern owned and controlled by socially and economically disadvantaged individuals (as defined by section 8(d) of the Small Business Act).

Subsection (b) provides that the effective date of these amendments shall appiy to obligations issued after the date of the enactment of this Act.

Section 2. Section 2 would amend section 103 of the Internal Revenue Code of 1954 to provide 10 percent of the amount of obligations issued in a state during a calendar year must be issued through an Underutilized Brokerage House, etc.

Subsection (a)(2) would amend section 103 of the Internal Revenue Code of 1954 (relating to interest on certain obligations) by redesigning the subsection relating to cross

references as subsection (q) and by inserting after subsection (o) a new subsection (p):

Paragraph (1) of newly proposed subsection (p) would provide that if the 10 percent requirements of paragraph (2) are not met with respect to any State for any calendar year, then any obligation which is issued as part of an issue during the succeeding calendar year shall be treated as an obligation described in subsection (a). Paragraph 2 provides that 10 percent of the amount of obligations issued in a State during a calendar year must be issued through the use of a brokerage house, financial institution, or other entity which is an underutilized small business. If State fails to meet the 10 percent requirement in a calendar year it can cure this shortfall by using an underutilized small business in succeeding year to issue its exempt and non-exempt obligations. The shortfall amount is defined by an amount equal to 10 percent of the aggregate amount of obligations issued during the calendar year by issues located in a State, over the aggregate amount of obligations issued during each year by issuers located in such through the use of a brokerage house, financial institution, or other entity which is an underutilized small business. Underutilized small businesses is defined by section 8(d) of the Small Business Act. This is the same definition used in Section 1, paragraph (D). The effective date of the amendments in this section shall apply to obligations issued after December 31, 1985.

I believe that this bill provides underutilized small businesses with a mechanism to effectively contribute to the growth and development of the American economy.

I trust that this legislation will receive the early and favorable attention of the Congress.

ARMS CONTROL AND DISARMAMENT ACT AUTHORIZATIONS

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2456) to amend the Arms Control and Disarmament Act in order to increase the authorization of appropriations for the fiscal year 1985, to extend the authorization of appropriations for the fiscal years 1986 and 1987, and for other purposes.

The Clerk read as follows:

H.R. 2456

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

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 49(a) of the Arms Control and Disarmament Act (22 U.S.C. 2589(a)) is amended by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) for the fiscal year 1985, $23,789,000;

"(3) for the fiscal year 1986, $25,614,000;

"(4) for the fiscal year 1987, $25,614,000; and

"(5) such additional amounts as may be necessary, for each such fiscal year, for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs, and to offset adverse fluctuations in foreign currency exchange rates.".

SEC. 2. PAY FOR DEPUTY DIRECTOR AND ASSISTANT DIRECTORS.

Title 5, United States Code, is amended—

(1) in section 5314, by adding at the end thereof the following:

"Deputy Director of the United States Arms Control and Disarmament Agency.";

(2) in section 5315—

(A) by striking out

"Deputy Director of the United States Arms Control and Disarmament Agency."; and

(B) by adding at the end thereof the following:

"Assistant Directors, United States Arms Control and Disarmament Agency (4)."; and

(3) in section 5316, by striking out

"Assistant Directors, United States Arms Control and Disarmament Agency (4).".

SEC. 3. COMPLIANCE WITH BUDGET ACT.

Any new spending authority (within the meaning of section 401 of the Congressional Budget Act of 1974) which is provided under section 2 shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2456, a bill to authorize appropriations for the Arms Control and Disarmament Agency. This is a noncontroversial request for a small but vital agency.

H.R. 2456 was reported unanimously by voice vote from the Committee on Foreign Affairs on May 14 with complete and bipartisan support. The principal purpose of H.R. 2456 provides for a fiscal year 1985 supplemental authorization of $1,867,000 and for a fiscal year 1986 and fiscal year 1987 authorization of $25,614,000. In addition to the authorization of appropriations, it provides for the administration's request to upgrade five senior positions for the Agency, the Deputy Director and four Assistant Directors.

H.R. 2456 represents a modest increase over the previous authorization levels for the Agency, but these increases are necessary to support the recently resumed arms control negotiations in Geneva. I would like to assure the Members that the committee carefully scrutinized the Agency's request and carefully evaluated its stated requirements for the Geneva negotiations. While this is a modest increase, the Committee on Foreign Affairs is still below the 150 budget function overall since the committee was able to hold the line in its State Department authorization as well as the foreign aid authorization.

As Members may know, the umbrella arms control talks in Geneva place significant additional requirements on the principal agency [ACDA] for administering and backstopping the comprehensive three-part arms control negotiations. This authorization request takes into account the additional needs for interpreters, office space requirements, et cetera. In addition, the authorization before us today enables ACDA to maintain its operations in Washington as well as the multifaceted requirements in Geneva.

H.R. 2456 provides for the upgrade of five senior positions in the Agency. This upgrade does not change the Director's position which is purposely on the same level as the Deputy Secretaries of the Departments of State and Defense. The upgrade would put the ACDA Deputy Director and the four Assistant Directors on the same level as their counterparts in other agencies—as Assistant Secretaries of State and Defense. This provision is supported by the House Post Office and Civil Service Committee which shares jurisdiction over such matters as personnel upgrades. The distinguished chairman of the committee, our colleague from Michigan, BILL FORD, has sent me a letter on this matter, the text of which is included in the committee report on H.R. 2456.

Mr. Speaker, in this time of increasingly complex arms control challenges, the committee continues to support a viable Arms Control Agency which is able to carry out its mandate of being the principal agency responsible for the formulation and coordination of U.S. arms control policy. The bill before Members today does just that—it provides the necessary resources to continue to support and backstop the recently-resumed arms control negotiations in Geneva. The success of our negotiators in Geneva is a desired objective which we all share. H.R. 2456 is a small but important step which will give our negotiators some of the tools they need to achieve the success of the Geneva negotiations.

In conclusion, Mr. Speaker, I would like to reiterate that this measure has enjoyed wide and full bipartisan support as reflected in the unanimous vote of approval for H.R. 2456 by both Democrats and Republicans on the Committee on Foreign Affairs.

At this time, I would like to pay tribute to the ranking minority member of the committee, the gentleman from Michigan [Mr. BROOMFIELD], for his support for this measure as well as the gentleman from Illinois [Mr. HYDE], for his participation in the committee's consideration of H.R. 2456.

Mr. Speaker, I urge the adoption of H.R. 2456.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join the chairman in support of this important legislation

which has the unanimous bipartisan support of our committee.

I want to compliment my friend, the gentleman from Florida, Mr. FASCELL, for the expeditious manner in which he has moved this bill through the subcommittee, and full committee.

I also want to pay tribute to Ken Adelman, the Director of the Arms Control and Disarmament Agency, and his excellent staff, for the intelligent and professional manner in which they have conducted themselves in the opening months of the Geneva arms talks which have been marred by Soviet provocation and belligerence.

The funding authorized by the legislation will allow the Agency to participate in a number of activities concerning international security.

With this bill, ACDA will be able to support the expanded arms talks in Geneva and provide additional delegation needs, including research requirements to backstop the Geneva talks.

Within the context of the new Geneva umbrella talks, which include intermediate-range and strategic nuclear arms, as well as space and defense arms, the Soviets returned to the table in March. On April 23, our negotiators completed their first round of talks only to be immediately criticized by the Soviet leadership for blocking progress in negotiations.

As one of the House observers to the Geneva talks, I can only say that the Soviet approach has been very disappointing in these first few months.

They have stonewalled any serious effort toward progress and seem more interested in using Geneva as a propaganda forum for attacking the United States than in meaningful negotiations. Their only substantive goal appears aimed at derailing our research on the strategic defense initiative even though they have been moving ahead on their own defensive systems for the last 10 years.

On the other hand, the United States has been seeking deep reductions in existing nuclear arsenals, while the Soviets propose to freeze the current situation—with all of its existing imbalances. The U.S. objectives are clear and simple. We seek substantial reductions in nuclear weapons, equality of rights and limits, increased security for the United States and our allies by reducing the risk of war, and effectively verifiable agreements.

The Soviets have broken their own rule about confidentiality and contrary to the public impression created by Mr. Gorbachev, the Soviet Union has made no proposal for reductions in strategic forces in the new negotiations.

The Soviets also continue to seek a rollback of NATO's intermediate nuclear force deployments, characterizing U.S. and NATO actions as worsening the arms race, all the while remaining silent about their own strategic buildup in the Soviet Union.

Many of you will recall that, in 1981, the United States began intermediate nuclear force talks with the Soviets in Geneva. Our Government initially offered to cancel all deployments of the Pershing II and ground-launched cruise missiles if the Soviets would remove their SS-20 missiles which destabilized the previous rough parity in Europe.

Also, as the negotiations evolved, the United States announced new and more flexible proposals including global limitations on warheads for medium-range missiles. The Soviets rejected all of the U.S. proposals and walked out of the talks in November 1983.

In the START talks, which were also held in Geneva, the U.S. delegation continued to be flexible in its proposals by incorporating bipartisan Scowcroft Commission recommendations and congressional concerns such as the mutual build-down concept. Despite the flexibility of these proposals and the need for further dialog, the Soviets walked out of the START negotiations in December 1983.

While continuing to criticize the United States on arms control, the Soviets once again, in April, literally shot first and asked questions later with the coldblooded murder of U.S. Army Maj. Arthur Nicholson in East Germany.

That was an outrageous act, and the Soviets still owe the American people an apology and the Nicholson family proper restitution.

These incidents, along with the general Soviet resistance toward any arms control aimed at producing substantial reductions, make the task of ACDA demanding and frustrating.

Yet, history teaches us that the arms control process requires determination and patience. Negotiations with the Soviets are always protracted. Historically, we have had bumpy periods with disappointing intervals.

But experience also tells us that perseverance can produce important results. Arms control is the President's No. 1 priority, and the United States continues to hope for progress toward not only arms control but meaningful reductions in nuclear stockpiles.

Along with our allies, we must continue to leave open opportunities for dialog with the Soviets in the hope that with time and patience, we can arrive at a good faith effort toward achieving the nuclear-free world we all seek.

I urge adoption of H.R. 2456.

□ 1320

Mr. FASCELL. Mr. Speaker, I have no further requests for time.

Mr. BROOMFIELD. I have no further requests for time, Mr. Speaker.

The SPEAKER pro tempore (Mr. MITCHELL). The question is on the motion offered by the gentleman from Florida (Mr. FASCELL) that the House suspend the rules and pass the bill, H.R. 2456.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

WELCOMING THE PRIME MINISTER OF INDIA, ON HIS OFFICIAL VISIT TO THE UNITED STATES

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 142) welcoming the Prime Minister of India, Rajiv Gandhi, on the occasion of his official visit to the United States.

The Clerk read as follows:

H. CON. RES. 142

Whereas the United States and India share a common bond of friendship and adherence to democratic values;

Whereas our shared values have been strengthened and renewed over the years, to our mutual benefit, by people-to-people contact across the full spectrum of human experience;

Whereas the United States has greatly benefitted by the contributions and creativity of 400,000 Asian-Indians who have come to our shores;

Whereas the American people hold a deep and abiding respect for India's rich cultural heritage and its important contributions to contemporary world thought as exemplified by the writings, teachings, and life's work of the great Mohandas K. Gandhi;

Whereas our two nations are embarked upon a joint celebration of Indian art, music, drama, dance, film, and crafts under the auspices of the Festival of India in the United States during the coming year;

Whereas there is impressive potential for a significant expansion of ties between the United States and India, particularly in the fields of trade, investment, and scientific cooperation;

Whereas the United States values and respects India's role as a leader of, and spokesman for, the developing nations of the world;

Whereas the United States recognizes the importance of a strong, unified, and independent India as a source of stability in Asia; and

Whereas our two nations should seek every avenue to accelerate the improvement of Indo-United States relations begun under the leadership and inspiration of the late Prime Minister Indira Gandhi: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress extends its warm greetings and respect to His Excellency, Rajiv Gandhi, the Prime Minister of India, on the occasion of his official visit to the United States, with the hope that this visit will mark the intensification of friendly, constructive ties between our two great nations.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 142 welcoming Prime Minister Rajiv Gandhi to the United States.

Prime Minister Gandhi's upcoming visit to our country in mid-June will provide a very important opportunity for strengthening ties between our two countries and peoples. Many of us on the Foreign Affairs Committee well remember the positive impact of Prime Minister Indira Gandhi's visit to the committee and the Congress in the summer of 1982. That visit improved the understanding and deepened the appreciation of Americans about Indian policies and perspectives.

The resolution before us will hopefully encourage intensification of friendly, constructive ties. The resolution reminds us of the great cultural, political, educational and economic contributions made by the people of India. On the eve of the Prime Minister's visit, it is fitting that we recall the significance of India's role in world history and world affairs.

We also welcome the Prime Minister with the fervent hope that this high level mission will increase mutual understanding and respect. As a great, proud and independent nation, India naturally has its own distinct positions on national and world affairs. In welcoming the Prime Minister to the United States, let us also welcome a frank exchange of views that is directed to expanding the cooperation and friendship already evident in our relations.

Mr. Speaker, I want to commend the chairman of the Subcommittee on Asian and Pacific Affairs, the gentleman from New York, Mr. SOLARZ and the ranking Member from Iowa, Mr. LEACH, for their initiative in moving this resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I offer my support of this resolution welcoming the Prime Minister of India, Rajiv Gandhi, to our country.

His visit here brings to mind the traditional bonds of friendship between our two great nations, and the cultural richness and diversity of India. We all support a strong and democratic India, and hope that the ties binding our two nations can be strengthened.

I ask my colleagues to join me in welcoming the Prime Minister and give my support of this resolution.

● Mr. GARCIA. Mr. Speaker, I want to thank my colleague for bringing this resolution to the floor to honor the leader of the world's largest democracy, the Prime Minister of India, Mr. Rajiv Gandhi.

Mr. Gandhi has not had an easy task in bringing together the people of India. The tragic death of his brother, Sanjay, and the brutal assassination of his mother, Prime Minister Indira Gandhi, have marred his personal life. In addition to all of this, the civil strife in India has made his job even more difficult and dangerous.

Yet, Mr. Gandhi has not backed down from his responsibility to all of India's people. He has not called for revenge. He has called for understanding. He has not called for cruel and unusual punishment for those who acted against his mother. He has called for justice and reconciliation.

Mr. Gandhi has shown himself to be a statesman. he has reaffirmed his commitment to democracy. It is for this reason that we honor him. He is a young and vigorous leader, who I hope will be around for a long time.

Yet, Mr. Gandhi's stature is no surprise to those of us who have been fortuante enough to have contact with the Asian-Indian community in this country. They too are committed to democracy, as well as intellectual excellence and civic pride. There are some 500,000 Asian-Indians in this country, and they are emerging as a viable political and economic force. They are the heirs to Mahatma Gandhi, Nehru, and Indira Gandhi.

I want to join my colleagues in welcoming Prime Minsiter Gandhi, and I hope that his visit will only serve to enhance the friendship between the people of India and the United States. I also encourage my colleagues to take advantage of the "Festival of India" taking place across the Nation this year. This celebration of Indian life and culture is a fitting tribute to the people of that great nation.●

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time.

Mr. FASCELL. Mr. President, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 142.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H.R. 2456 and on House Concurrent Resolution 142, the concurrent resolution just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

FAIRNESS IN OPTIONS FOR REDUCING THE DEFICIT

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

Mr. BUSTAMANTE. Mr. Speaker, as we consider the options for reducing the deficit, we must consider the fairness of the sacrifices which are proposed. It is true that it is our responsibility to apply discipline to the budget—but not discipline at the expense of those who need assistance most. Before we decide what to cut and what to keep, we must look at the cost not only in terms of dollars and cents, but also in terms of the sense and the fairness of our actions. Is it sensible to eliminate programs which help to improve the quality of life for those truly in need?

Is it fair?

If our children suffer because of a lack of funding for our educational systems while contractors benefit from inflated funding of our defense systems, to me that is not fair.

If Medicaid recipients are required to pay for having health insurance while corporations are not required to pay even a minimum tax, to me that is not fair.

If those who are striving to become self-sufficient must become more reliant on the Government because job training and work incentive programs are eliminated, to me that is neither fair nor sensible.

The recent efforts to provide for deficit reduction are commendable. Yet we must continue to provide for those in need through the shared sacrifices of a budget freeze.

INDIA AND SIKHS

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

Mr. BURTON of Indiana. Mr. Speaker, we just passed a resolution welcoming Prime Minister Rajiv Gandhi to the United States. I would like to extend a special welcome to the Prime Minister and express my hopes that our two governments continue to work together on challenges facing this world.

I encourage the Prime Minister to address the problems of the Sikh community during his visit to the United States. As the Christian Science Monitor recently reported, some positive steps have been taken, but it appears many problems still exist. I urge Prime Minister Gandhi to continue to work on a resolution to the conflict in the Punjab that will safeguard the lives of Sikhs and Hindus alike.

We have been told by the FBI there has been a threat against Prime Minister Gandhi's life during his visit to the United States. This cannot be tolerated. Attacks upon any head of state must be denounced, and we do.

America can never condone any terrorist activities or the assassination of a government official. The problems in India are complex and difficult, but I encourage Prime Minister Gandhi to continue to work for a positive and peaceful resolution of the Sikh question.

□ 1330

WARM GREETINGS TO RAJIV GANDHI, THE PRIME MINISTER OF INDIA

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

Mr. DYMALLY. Mr. Speaker, given the pressures from terrorists and others to alter the structure of of democracy, it is comforting to note that world's largest democracies, India and the United States, have remained dedicated to the principles by which they were founded. Next month, Rajiv Gandhi, the Prime Minister of India, will make his first official visit to the United States. In addition to meeting with American Government officials, Mr. Gandhi will open the Festival of India; and unprecedented year long celebration of Indian life and culture throughout the United States.

The significance of this is apparent. Much has happened in India since the tragic assassination of his mother, Mrs. Indira Gandhi. Her successor, Mr. Gandhi, has demonstrated effective leadership in dealing with ethnic and religious tensions while, at the same time, assuring the continuation of cordial Indian-United States relations. Despite the changing political climate in India, Mr. Gandhi's commitment to democratic institutions remains unswerving. Consequently, he deserves a warm welcome from this Government, and I invite my colleagues to join me in in this celebration of friendship and democratic values.

As Mr. Gandhi will soon demonstrate with the opening of the Festival of India, United States-India friendship transcends diplomatic matters. Over 400,000 Asian Indians have immigrated to the United States, enriching American culture with their art, music, and cuisine. Meanwhile, Indian political thought has had a profound influence on recent American politics, particularly in the field of civil rights. Dr. Martin Luther King often considered himself a disciple of Mohandas K. Gandhi. Employing the latter's ideas on civil disobedience, nonviolence, and peace, King sheparded black America to realize its full political rights and potential. Considering this impact alone, we can easily conclude that Indian culture and thought has penetrated ever facet of American life.

Prime Minister Rajiv Gandhi's visit promises to further enlighten Americans regarding the significance of India in American life and diplomacy. The United States must continue to support a unified and an independent India as a democratic bulwark in Asia. Indeed, India has become a symbol for developing nations across the Asian continent. Nevertheless, we must also recognize the contributions of India's 400,000 immigrants to this country. Prime Minister Gandhi's trip will accent both the political and cultural ties between our nations. A warm greeting to him can only intensify friendly India-United States relations.

THE UNITED STATES WELCOMES ARRIVAL OF INDIA'S PRIME MINISTER

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

Mr. SOLARZ. Mr. Speaker, the impending visit to our country by Prime Minister Rajiv Gandhi of India is an enormously significant development. India and the United States are the two largest and most populous democracies in the world. We have much in common, and I believe that the visit here of Prime Minister Gandhi will set the stage for what I hope and trust will be a deepening and an improvement of the relationship between our two countries.

From a cultural and from a political point of view, India and the United States have very significant mutual interests. Our relationship in the past has not been as constructive and cordial as it perhaps should have been, but with new leadership in India there is a real opportunity for us to move forward together on behalf of our mutual interests and concerns. I think the adoption of this resolution today will send a very strong signal to Prime Minister Gandhi and to the people of India that the United States warmly welcomes the impending arrival of the new Prime Minister to our shores and that we seek an even better relationship in the future than we've had in the past.

INDIA AND THE UNITED STATES SHARE A VALUE SYSTEM

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

Mr. LEACH of Iowa. Mr. Speaker, I rise in support of House Concurrent Resolution 142, extending the welcome of the Congress to Prime Minister Rajiv Gandhi of India on the occasion of his upcoming visit to the United States.

As the ranking minority member of the Subcommittee on Asian and Pacific Affairs, I want to join the chairman of the subcommittee, Mr. SOLARZ, and our other colleagues in this body in extending a cordial welcome on behalf of the people of the United States to Prime Minister Gandhi. We welcome the opportunity it offers to reaffirm the longstanding ties of friendship and mutual respect which we as two of the world's great democracies share, as well as to explore new areas of expanded Indo-American cooperation in science, investment, trade, and other endeavors.

As all of us know, the events of the past year, including the tragic assassination in October of the late Prime Minister, Indira Gandhi, have thrust tremendous political and social challenges on India. Yet, India's democratic institutions and traditions have prevailed and demonstrated their capacity to withstand such tests. As House Concurrent Resolution 142 points out, the United States recognizes the importance of a strong, unified, and independent India as a source of stability in Asia.

The United States and India similarly share significant economic ties. Today, the United States is India's largest trading partner and second largest foreign investor. India's vital industrial economy and enormous manpower pool of engineering and scientific expertise hold the promise of even greater economic achievements in the years ahead and the potential for expanded commercial and scientific ties with the United States. We also welcome the steps which Prime Minister Gandhi has taken since assuming office to accelerate a process of domestic economic reform and liberalization.

In addition, the people of the United States welcome the opportunities for educational and cultural exchange, of which the celebration of the Festival of India in the United States this year represents an important part.

American society has been deeply enriched as well by the immigration to this country of thousands of Indians who have, in various professions and walks of life, made invaluable contributions to the advancement of American enterprise and who, by their presence, help to strengthen the people-to-people friendship we share with India.

Great and independent nations like the United States and India will have, on occasion, different perspectives on issues relating to national security and foreign policy. As democratic societies, we respect the right of free peoples to express their views freely and hope to learn from each other through the dialog which such differences engender. India plays an enormously influential role not only in the regional affairs of South Asia but in the affairs of developing and nonaligned nations worldwide. Having endured, as we ourselves did at one time, the trials of the colonial experience, India understands and forcefully articulates the concerns and needs of developing nations.

I might add that many of us in Congress appreciate in particular the principled leadership Prime Minister Rajiv Gandhi has, in his short term in office, demonstrated with regard to the arms race. Arms control is a responsibility not just of the superpowers but of small and large nations alike. The leadership India can display, as a nuclear weapons state concerned with the proliferation of weapons of mass destruction, cannot be overestimated.

It is relevant here to pay special tribute to the great Indian leader and philosopher Mohandas K. Gandhi. Although the people of India rightfully claim him as one of their own by heritage, he was more than an Indian; he was one of the great statesmen of the 20th century. We in the United States stand in appreciation of the values and understanding which he symbolizes for the world. It may well be that in an era of nuclear weapons Mahatma Gandhi's principle of satyagraha provides the kind of moral underpinning needed for conflict resolution in disputes between nations as well as between people.

We all recognize as well the profoundly important turmoil occurring in India with respect to the assimilation of all ethnic and religious groups. In this regard, the problem of the Sikhs stands out today. It is my hope that the compassion and reconciliation implied in the movement of nonviolence symbolized by Mahatma Gandhi can come to characterize the actions of the Sikhs who are expressing deeply felt convictions as well as the response of the government and non-Sikh citizens who share an understandable concern at the tactics of a few.

Mr. Speaker, it is my hope that the visit next month of Prime Minister Rajiv Gandhi will mark the beginning of a new era in Indo-American relations based on closer bilateral cooperation and a greater understanding and appreciation of the unique role which both of our nations must play in advancing the cause of a more peaceful and stable world in the latter part of the 20th century. I urge my colleagues to join me in supporting House Concurrent Resolution 142 to welcome Prime Minister Rajiv Gandhi to the United States.

NUCLEAR ARMS CONTROL

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

Mr. FASCELL. Mr. Speaker, the Foreign Affairs Committee has launched a major study, specifically under the Subcommittee on Arms Control, which I chair, in conjunction with the Congressional Research Service of the Library of Congress, to review nuclear arms control. In conjunction with this study, the committee has been holding a series of workshops with distinguished experts to discuss the major arms control issues. Just today, we held a very interesting workshop with two outstanding experts—Mr. Graybeal and Mr. Cline—both of whom have years of extensive experience on the subject of verification and compliance with arms control agreements.

I would like to call to the attention of Members a report which the Foreign Affairs Committee released today. This is the first in a series of 10 studies on the subject. It is entitled "Nuclear Arms Control, a Historical Survey." I urge Members to read this document and also urge Members to participate in future workshops.

We have had excellent comments on these workshops. We have had outstanding experts. Because of that fact, we have been able to carefully describe and discuss the parameters of the problem. There is obviously no issue that is strictly one sided. Most have two sides or more. And arms control is no different. So, we have wanted to understand exactly what we have accomplished, if anything, in the field of arms control. We have explored future possibilities and the problems which sometimes seem so complex and, at other times, seem so ludicrously simple. But, it has been a very important series, open to all Members of Congress, and it is part of a continuing effort by the Foreign Affairs Committee to deal with this most important issue confronting the American people and mankind, the question of how we deal not simply with the specific arms issues that are involved in our total offensive and defensive capability, not simply to determine whether we need one missile or another missile, but with our entire complex national security posture. And, when we are faced with an unending, expensive, psychologically destructive arms race, then we need to spend some time on it.

I just want to enumerate some of the issues and the reason why we published this first report, Mr. Speaker, surveying the history of arms control efforts. We hear more and more now, for example, that the agreements that we have entered into in the past really did not help us in any way and we need to examine that statement in light of the facts as they really exist, that verification is less and less of value to us or that verification is a shield to hide behind because verification is impossible in an adequate, reliable, and effective sense and therefore gives rise to the question: Why have an arms control agreement of any kind, particularly with the Soviets, when you cannot trust the Soviets?

All of these issues—strategic defense, weapons in space, bacteriological warfare, chemical warfare, the dynamics of arms technology—do they set our policy, have a momentum so strong of their own in the world and in the United States that there is no way of escaping the ultimate decision that comes simply from an escalation in technology, technological capability, and armaments in their own right?

I know, having been on the Foreign Affairs Committee now for some 30 years, that I get the feeling sometimes that what drives us is simply not just fear or the necessity to be superior in terms of armaments because of our national security, but because we have no choice, there is no way to stop the march of progress, meaning the advance of science. That scientific capability and technological advancement is so strong that it actually formulates, years ahead of time, what our ultimate policy not only in this country will be but what the ultimate policy of our principal adversary at this moment, the Soviet Union, will be. This is a scary situation, to get the feeling that we are no more in control of policy than we are the sun because of simply not only the human factors involved and the lack of trust, the inability to break through in the intelligence sense, that is, mankind's intelligence, but because of the very nature of intelligence of mankind we are driving so fast with our technological capability that it sets the pattern for the entire world. That is something to contemplate.

□ 1340

Nevertheless, I would conclude simply by saying that these workshops are very important for all Members of Congress as we fulfill our individual responsibility and make decisions on yes or no with respect to arms control; on yes or no with respect to specific weapons systems; or yes or no with respect to U.S. policy.

So I recommend that my colleagues read this first report and participate in all of the arms control workshops that the Foreign Affairs Committee will be holding in the future.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 429

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of the bill, H.R. 429.

The SPEAKER pro tempore (Mr. KOSTMAYER). Is there objection to the request of the gentleman from Michigan?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1809

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of the bill, H.R. 1809.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TECHNICAL AND CONFORMING AMENDMENTS TO THE LIBRARY SERVICES AND CONSTRUCTION ACT

Mr. FORD of Michigan. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1997) to make certain technical and conforming amendments to the Library Services and Construction Act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1997

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

SECTION 1. LIBRARY SERVICES AND CONSTRUCTION ACT AMENDMENTS.

(a) DEFINITIONS.—(1) Section 3(12) of the Library Services and Construction Act (20 U.S.C. 351a(12)) is amended by striking out "five-year program" and inserting in lieu thereof "program of not less than three nor more than five years".

(2) Section 3(15) of the Act is amended—

(A) by inserting "by the Secretary of the Interior" after "recognized"; and

(B) by striking out ", as determined by the Secretary after consultation with the Secretary of the Interior".

(b) APPLICABILITY OF PUBLIC LIBRARY PROVISIONS TO HAWAIIAN NATIVE PROGRAM.—Section 5(d)(2) of such Act (20 U.S.C. 351c(d)(2)) is amended by striking out "sections 403" and inserting in lieu thereof sections 402(b), 403,".

(c) PLANS AND PROGRAMS.—Section 6(b)(4) of such Act (20 U.S.C. 351(b)(4)) is amended by inserting "(as defined in section 703(a) of the Bilingual Education Act)" after "limited English-speaking proficiency".

(d) CORRECTION OF ADMINISTRATIVE COST MISINTERPRETATION.—The references in section 8 of such Act (20 U.S.C. 351f) to "such titles" mean, and shall be construed as meaning, the immediately preceding reference to "titles I, II, and III".

(e) MAJOR URBAN RESOURCE LIBRARY RESERVED AMOUNTS.—Section 102(c)(1) of such Act (20 U.S.C. 353(c)(1)) is amended by inserting "(excluding the amount made available for Indian tribes and Hawaiian natives)" after "section 4(a)".

(f) SERVICES TO TRIBES IN STATES WITHOUT INDIAN RESERVATIONS.—Title IV of such Act (20 U.S.C. 361 et seq.) is amended by adding at the end thereof the following new section:

"SERVICES IN STATES WITH INDIAN TRIBES NOT RESIDING ON OR NEAR RESERVATIONS

"SEC. 406. The provisions of this title requiring that services be provided on or near Indian reservations, or to only those Indians who live on or near Indian reservations, shall not apply in the case of Indian tribes and Indians in California, Oklahoma, and Alaska".

SEC. 2. MINORITY INSTITUTIONS SCIENCE IMPROVEMENT PROGRAM AMENDMENT.

The General Education Provisions Act is amended—

(1) by redesignating section 406A (as added by the Education Amendments of 1980; 94 Stat. 1497) as section 406B; and

(2) by inserting after such section the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR SCIENCE IMPROVEMENT PROGRAM

"SEC. 406C. There are authorized to be appropriated $5,000,000 for each of the fiscal years 1985 and 1986 for the purpose of carrying out the Minority Institutions Science Improvement Program transferred to the Secretary of Education from the National Science Foundation by section 304 of the Department of Education Organization Act".

The SPEAKER pro tempore. Is a second demanded?

Mr. HYDE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. FORD] will be recognized for 20 minutes and the gentleman from Illinois [Mr. HYDE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today we are considering H.R. 1997, a technical amendments bill dealing with two programs under the jurisdiction of the Committee on Education and Labor—the Library Services and Construction Act and the Minority Institutions Science Improvement Program. These amendments do not increase Federal expenditures for the programs but ensure their efficient and consistent operation.

The first section of the bill contains amendments to the Library Services and Construction Act [LSCA] which was reauthorized during the last session of Congress and provides funding to local public libraries to assist them in providing library services. Shortly after the reauthorization bill was signed into law, it became apparent that additional legislative language was necessary to clarify certain points in the new law which the Department of Education considered open to interpretation or in conflict with other provisions of the law. As a result, H.R. 1997 contains seven technical and conforming amendments. These amendments include clarifications on the length of long-range plans, the role of the Secretary of the Interior in designating approved Indian tribes, the maintenance of effort provisions for Indian tribes and Native Hawaiians, the definition of "limited English-speaking proficiency," the amount of funds that may be used by State libraries for administrative costs, the amount of funding for urban libraries, and the inclusion of Indian tribes in California, Oklahoma, and Alaska under the program.

The second section of the bill incorporates the provisions of H.R. 32, introduced by Chairman GUS HAWKINS, which extends the authorization of the Minority Institutions Science Improvement Act [MISIP] through fiscal year 1986. MISIP supports activities to improve the quality of science education at postsecondary education institutions which serve large populations of minority students and to stimulate interest in science careers for minorities. Although the program expired at the end of fiscal year 1984, the Appropriations Committee appropriated $5 million for the program in anticipation of an extension and the President's budget requests for both fiscal year 1985 and fiscal year 1986 have supported continued funding for the program at the $5 million level.

The final section of the technical amendments bill which eliminated the maximum award limitations under the Harry S. Truman Scholarship Program and allowed the board of trustees the authority to set maximum stipends was deleted by an amendment offered by our colleague, the gentleman from Wisconsin [Mr. GUNDERSON] in full committee.

Mr. GUNDERSON was concerned about the possible threat that if the cap were removed on stipend amounts, with no additional amendments stipulating number of students to be served per year, that the number of new awards could decrease back to the mandated number of 53, specified in the act.

The members of the committee concurred with Mr. GUNDERSON's concerns and unanimously accepted his amendment and agreed to explore the program fully in future hearings.

The bill we are considering today is an amended version of the one reported out of committee. After consideration of the bill at committee level, staff realized that there was a drafting error in section 2 of H.R. 1997 and, as a result, a program, the Pre-College Science Teacher Training Program, had been eliminated. Both this program and MISIP were authorized and extended by the same provision of the General Education Provisions Act, section 406A. In giving a longer extension

to MISIP, through fiscal year 1986, reference to the Pre-College Program was inadvertently omitted. The amended version of the bill, which we are now considering, does not extend the Pre-College Program but it does leave authorization for the program in statute. As I stated previously, the deletion of the program in the original bill was accidental. The amended bill maintains the current status of the program.

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I speak on behalf of this excellent legislation. Mr. COLEMAN, who is the ranking Republican, has been detained in an important committee markup and has informed me that this legislation is bipartisan in nature, makes technical and conforming changes to existing law, and does not increase Federal expenditures.

The administration has no objection to this legislation, and so I want to commend the gentleman from Michigan [Mr. FORD] for his outstanding job.

Mr. Speaker, I would now yield to the gentleman himself, Mr. COLEMAN, for such time as he may consume.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman from Illinois for his contribution.

Mr. Speaker, as a cosponsor of H.R. 1997, I urge the adoption of this bill. This legislation is bipartisan in nature, makes technical and conforming changes to existing law and does not increase Federal expenditures.

First, I would like to thank the chairman for swiftly moving this legislation through the committee and onto the floor of the House. The gentleman from Michigan has demonstrated his willingness to work in a bipartisan fashion during subcommittee as well as full committee consideration of this legislation. The tone established by the gentleman on this bill certainly bodes well for the major reauthorization of the Higher Education Act later in this Congress.

H.R. 1997 contains amendments to the Library Services and Construction Act [LSCA] which was reauthorized during the last Congress and provides funding to local public libraries to assist them in providing library services. The technical changes in H.R. 1997 clarify certain points that otherwise might be open to interpretation or are in conflict with other parts of the law. The changes involve:

First, clarifying that a long-range program may be from 3 to 5 years in length.

Second, clarifying that the Secretary of Education may only make grants to Indian tribes that are recognized by the Secretary of the Interior.

Third, requiring Native Hawaiians to maintain the same level of expenditure for library materials if they receive a Federal grant under LSCA as they did prior to receiving the grant.

Fourth, defining "limited English-speaking proficiency" to have the same meaning in the LSCA as it does in the Bilingual Education Act.

Fifth, clarifying the amount of administrative costs allowed to States under the program.

Sixth, exempting Indians from Oklahoma, California, and Alaska from the requirement that they must live on or near reservations. This is because the original language was to ensure that Indians living in urban areas not receive grants because they have access to existing public libraries. However, Indians and Indian tribes in the above-noted States do not live on reservations and, therefore, in strict legal terms, would be ineligible to receive grants.

The bill also extends the authorization of the Minority Institutes Science Improvement Program [MISIP] through fiscal year 1985 and fiscal year 1986.

The purpose of MISIP is twofold: to support activities to improve the quality of science education at postsecondary institutions which serve large numbers of minority students, and encouraging minorities to pursue science careers. The program expired at the end of fiscal year 1984; $5 million was appropriated for the program in fiscal year 1985 in anticipation of its extension. The administration supports continued funding for the program in fiscal year 1985 and fiscal year 1986 at the $5 million level.

I should also point out that our side of the aisle has no problem with the chairman's technical change in H.R. 1997 which differs from the version reported from committee. The committee version inadvertently deleted reference to the Pre-College Science Teacher Training Program under the General Education Provisions Act. This change involves no cost and merely maintains the status quo. In fact, if this error were not corrected, one could argue that H.R. 1997 would become more than a technical bill.

I urge the Congress to adopt H.R. 1997 without delay.

Mr. Speaker, I reserve the balance of my time.

● Mr. JEFFORDS. Mr Speaker, I would like to compliment both the gentleman from Michigan [Mr. FORD], the chairman of the subcommittee, and the gentleman from Missouri [Mr. COLEMAN], the ranking minority member of the Postsecondary Education Subcommittee, for bringing this legislation before the Congress. This is a technical bill which received bipartisan support in the committee. The administration has no opposition to this bill.

H.R. 1997 contains amendments to the Library Services and Construction Act [LSCA] and the Minority Institutions Science Improvement Program [MISIP]. The LSCA amendments clarify certain aspects of the newly reauthorized legislation enacted last year. The amendments include clarifications on the length of long-range plans, the role of the Secretary of the Interior in designating approved Indian tribes, and maintenance of effort provisions for Indian tribes and Native Hawaiians, the definition of "limited English speaking proficiency," the amount of funds that may be used by State libraries for administrative costs, the amount of funding for urban libraries, and the inclusion of Indian tribes in California, Oklahoma, and Alaska under the program.

The amendment to MISIP merely extends the authorization through fiscal years 1985 and 1986. It should be noted that the President's budget requests for both fiscal year 1985 and fiscal year 1986 have supported funding of this program at the $5 million level.

Both of these programs are worthy ones: MISIP supports activities to improve the quality of science education at postsecondary education institutions which serve large numbers of minority students; LSCA provides funding to local public libraries to assist them in providing library services. Since the legislation being considered today makes only technical and conforming changes to existing law, I urge swift adoption of H.R. 1997.

I should also point out that the subcommittee chairman, Mr. FORD, has taken a bill to the floor which is slightly different from the version reported from committee. This change involves correction of a drafting error and merely reinserts the language in the General Education Provisions Act relating to the Pre-College Science Teacher Training Program which was inadvertently dropped in committee. The Congressional Budget Office has reassured me that the chairman's amendment involves no cost.

I yield back the balance of my time.●

□ 1350

Mr. FORD of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan [Mr. FORD] that the House suspend the rules and pass the bill, H.R. 1997, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FORD of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1997, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

SIMPLIFICATION OF IMPUTED INTEREST RULES

Mr. ROSTENKOWSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2475) to amend the Internal Revenue Code of 1954 to simplify the imputed interest rules of sections 1274 and 483, and for other purposes.

The Clerk read as follows:

H.R. 2475

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

SECTION 1. SIMPLIFICATION OF GENERAL IMPUTED INTEREST RULES.

(a) REDUCTION OF IMPUTATION RATE FROM 120 TO 100 PERCENT; ELIMINATION OF SEPARATE TESTING RATE.—

(1) AMENDMENTS OF SECTION 1274.—

(A) Subparagraph (B) of section 1274(b)(2) of the Internal Revenue Code of 1954 (defining imputed principal amount) is amended by striking out "120 percent of".

(B) Clause (ii) of section 1274(c)(1)(A) of such Code is amended to read as follows:

"(ii) in any other case, the imputed principal amount of such debt instrument determined under subsection (b), and".

(C) Paragraph (2) of section 1274(c) of such Code is amended by striking out "the testing amount" and inserting in lieu thereof "the imputed principal amount of such debt instrument determined under subsection (b)".

(D) Subsection (c) of section 1274 of such Code is amended by striking out paragraph (3) and by redesignating paragraph (4) as paragraph (3).

(2) AMENDMENTS OF SECTION 483.—

(A) The last sentence of section 483(b) of such Code (defining total unstated interest) is amended by striking out "120 percent of".

(B) Subparagraph (B) of section 483(c)(1) of such Code is amended to read as follows:

"(B) under which there is total unstated interest.".

(b) INTEREST RATES REDETERMINED EACH MONTH.—

(1) IN GENERAL.—Paragraph (1) section 1274(d) of such Code (defining applicable Federal rate) is amended by striking out subparagraphs (B), (C), and (D) and inserting in lieu thereof the following:

"(B) DETERMINATION OF RATES.—During each calendar month, the Secretary shall determine the Federal short-term rate, mid-term rate, and long-term rate which shall apply during the following calendar month.

"(C) FEDERAL RATE FOR ANY CALENDAR MONTH.—For purposes of this paragraph—

"(i) FEDERAL SHORT-TERM RATE.—The Federal short-term rate shall be the rate determined by the Secretary based on the average market yield (during any 1-month period selected by the Secretary and ending in the calendar month in which the determination is made) on outstanding marketable obligations of the United States with remaining periods to maturity of 3 years or less.

"(ii) FEDERAL MID-TERM AND LONG-TERM RATES.—The Federal mid-term and long-term rate shall be determined in accordance with the principles of clause (i).

"(D) LOWER RATE PERMITTED IN CERTAIN CASES.—The Secretary may by regulations permit a rate to be used with respect to any debt instrument which is lower than the applicable Federal rate if the taxpayer establishes to the satisfaction of the Secretary that such lower rate is based on the same principles as the applicable Federal rate and is appropriate for the term of such instrument."

(2) RATE APPLICABLE TO ANY SALE OR EXCHANGE.—Paragraph (2) of section 1274(d) of such Code (relating to rate applicable to any sale or exchange) is amended to read as follows:

"(2) LOWEST 3-MONTH RATE APPLICABLE TO ANY SALE OR EXCHANGE.—

"(A) IN GENERAL.—In the case of any sale or exchange, the applicable Federal rate shall be the lowest 3-month rate.

"(B) LOWEST 3-MONTH RATE.—For purposes of subparagraph (A), the term, 'lowest 3-month rate' means the lowest of the applicable Federal rates in effect for any month in the 3-calendar-month period ending with the 1st calendar month in which there is a binding contract in writing for such sale or exchange."

SEC. 2. LOWER DISCOUNT RATE IN CASE OF CERTAIN SALES WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $4,000,000.

(a) GENERAL RULE.—Subpart A of part V of subchapter P of chapter 1 of the Internal Revenue Code of 1954 (relating to original issue discount) is amended by inserting after section 1274 the following new section:

"SEC. 1274A. SPECIAL RULES FOR CERTAIN TRANSACTIONS WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $4,000,000.

"(a) LOWER DISCOUNT RATE.—In the case of any qualified debt instrument—

"(1) if the stated principal amount of such instrument does not exceed $2,000,000, the discount rate used for purposes of sections 483 and 1274 shall not exceed 9 percent, compounded semiannually, and

"(2) if the stated principal amount of such instrument exceeds $2,000,000, the discount rate used for purposes of sections 483 and 1274 shall not exceed the blended rate determined under subsection (c), compounded semiannually.

"(b) QUALIFIED DEBT INSTRUMENT DEFINED.—

"(1) IN GENERAL.—For purposes of this section, the term 'qualified debt instrument' means any debt instrument given in consideration for the sale or exchange of property (other than new section 38 property) if the stated principal amount of such instrument does not exceed $4,000,000.

"(2) NEW SECTION 38 PROPERTY.—The term 'new section 38 property' has the meaning given such term by section 48(b).

"(c) BLENDED RATE.—For purposes of this section—

"(1) IN GENERAL.—The blended rate determined under this subsection with respect to any qualified debt instrument is the weighted average of—

"(A) 9 percent with respect to the qualified amount of such debt instrument, and

"(B) the applicable Federal rate determined under section 1274(d) with respect to the stated principal amount in excess of the qualified amount.

"(2) QUALIFIED AMOUNT.—The term 'qualified amount' means $2,000,000 reduced by the excess of the stated principal amount over $2,000,000.

"(d) ELECTION TO USE CASH METHOD WHERE STATED PRINCIPAL AMOUNT DOES NOT EXCEED $2,000,000.—

"(1) IN GENERAL.—In the case of any cash method debt instrument—

"(A) section 1274 shall not apply, and

"(B) interest on such debt instrument shall be taken into account by both the borrower and the lender under the cash receipts and disbursements method of accounting.

"(2) CASH METHOD DEBT INSTRUMENT.—For purposes of paragraph (1), the term 'cash method debt instrument' means any qualified debt instrument if—

"(A) the stated principal amount does not exceed $2,000,000,

"(B) the lender does not use an accrual method of accounting and is not a dealer with respect to the property sold or exchanged,

"(C) section 1274 would have applied to such instrument but for an election under this subsection, and

"(D) an election under this subsection is jointly made with respect to such debt instrument by the borrower and lender.

"(3) SUCCESSORS BOUND BY ELECTION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), paragraph (1) shall apply to any successor to the borrower or lender with respect to a cash method debt instrument.

"(B) EXCEPTION WHERE LENDER TRANSFERS DEBT INSTRUMENT TO ACCRUAL METHOD TAXPAYER.—If the lender (or any successor) transfers any cash method debt instrument to a taxpayer who uses an accrual method of accounting, this paragraph shall not apply with respect to such instrument for periods after such transfer.

"(4) FAIR MARKET VALUE RULE IN POTENTIALLY ABUSIVE SITUATIONS.—In the case of any cash method debt instrument, section 483 shall be applied as if it included provisions similar to the provisions of section 1274(b)(3).

"(e) OTHER SPECIAL RULES.—

"(1) AGGREGATION RULES.—For purposes of this section—

"(A) all sales or exchanges which are part of the same transaction (or a series of related transactions) shall be treated as 1 sale or exchange, and

"(B) all debt instruments arising from the same transaction (or a series of related transactions) shall be treated as 1 debt instrument.

"(2) INFLATION ADJUSTMENTS.—

"(A) IN GENERAL.—In the case of any debt instrument arising out of a sale or exchange during any calendar year after 1988, each dollar amount contained in the proceeding provisions of this section shall be increased by the inflation adjustment for such calendar year. Any increase under the preceding sentence shall be rounded to the nearest multiple of $100 (or, if such increase is a multiple of $50, such increase shall be increased to the nearest multiple of $100).

"(B) INFLATION ADJUSTMENT.—For purposes of subparagraph (A), the inflation adjustment for any calendar year is the percentage (if any) by which—

"(i) the CIP for the preceding calendar year exceeds

"(ii) the CPI for calendar year 1987.

For purposes of the preceding sentence, the CPI for any calendar year is the average of the Consumer Price Index as of the close of

the 12-month period ending on September 30 of such calendar year.

"(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection, including—

"(1) regulations coordinating the provisions of this section with other provisions of this title,

"(2) regulations necessary to prevent the avoidance of tax through the abuse of the provisions of subsection (d), and

"(3) regulations relating to the treatment of transfers of cash method debt instruments."

(b) EXCEPTION FOR ASSUMPTIONS.—Subsection (c) of section 1274 of such Code is amended by adding at the end thereof the following new paragraph:

"(4) EXCEPTION FOR ASSUMPTIONS.—If any person—

"(A) in connection with the sale or exchange of property, assumes any debt instrument, or

"(B) acquires any property subject to any debt instrument,

this section and section 483 shall not apply to such debt instrument by reason of such assumption (or such acquisition) unless the terms and conditions of such debt instrument are modified (or the nature of the transaction is changed) in connection with the assumption (or acquisition)."

(c) TECHNICAL AMENDMENTS.—

(1) Section 483 of such Code is amended by striking out subsection (e) and by redesignating subsections (f), (g), and (h) as subsections (e), (f), and (g), respectively.

(2) Paragraph (1) of section 483(e) of such Code (as redesignated by paragraph (1)) is amended by striking out "7 percent" and inserting in lieu thereof "6 percent".

(3) Subsection (h) of section 483 of such Code is amended to read as follows:

"(h) CROSS REFERENCES.—

"(1) For treatment of assumptions, see section 1274(c)(4).

"(2) For special rules for certain transactions where stated principal amount does not exceed $4,000,000, see section 1274A.

"(3) For special rules in case of the borrower under certain loans for personal use, see section 1275(b)."

(d) CLERICAL AMENDMENT.—The table of sections for subpart A of part V of subchapter P of chapter 1 of such Code is amended by inserting after the item relating to section 1274 the following new item:

"Sec. 1274A. Special rules for certain transactions where stated principal amount does not exceed $4,000,000."

SEC. 3. RECOVERY PERIOD FOR 18-YEAR REAL PROPERTY EXTENDED TO 19 YEARS.

(a) IN GENERAL.—Clause (i) of section 168(b)(2)(A) of the Internal Revenue Code of 1954 (relating to amount of deduction for 18-year real property) is amended by striking out "18-year recovery period" and inserting in lieu thereof "19-year recovery period".

(b) TECHNICAL AMENDMENTS.—

(1) The following provisions of the Internal Revenue Code of 1954 are amended by striking out "18-year real property" each place it appears in the text and headings thereof and inserting in lieu thereof "19-year real property":

(A) Section 168 (relating to accelerated cost recovery system).

(B) Section 57(a)(12) (relating to preference for accelerated cost recovery deduction).

(C) Section 312(k)(3)(A) (relating to earnings and profits).

(D) Subparagraphs (A), (B), and (C) of section 1245(a)(5) (relating to gain from dispositions of certain depreciable property).

(2) The table contained in subparagraph (A) of section 168(b)(3) of such Code (relating to election of different recovery percentage) is amended by striking out "18, 35, or 45" and inserting in lieu thereof "19, 35, or 45 years".

(3)(A) Subparagraph (B) of section 168(f)(1) of such Code (relating to components of section 1250 class property) is amended by redesignating clause (iii) as clause (iv) and by inserting after clause (ii) the following new clause:

"(iii) BUILDINGS PLACED IN SERVICE BEFORE MAY 9, 1985.—In case of any building placed in service by the taxpayer before May 9, 1985, for purposes of applying subparagraph (A) to components of such buildings placed in service after May 8, 1985, the deduction allowable under subsection (a) with respect to such components shall be computed in the same manner as the deduction allowable with respect to the first component placed in service after May 8, 1985."

(B) Clause (ii) of section 168(f)(1)(B) of such Code is amended by striking out "March 15, 1984, the" and inserting in lieu thereof "March 15, 1984, and before May 9, 1985, the".

(C) Clause (iv) of section 168(f)(1)(B) of such Code, as redesignated by subparagraph (A), is amended by striking out "or (ii)" and inserting in lieu thereof ", (ii), or (iii)".

(4) Clause (ii) of section 168(f)(12)(B) of such Code (relating to limitations for property financed with tax-exempt bonds) is amended—

(A) by striking out "15-year real property" each place it appears in the heading and the text and inserting in lieu thereof "19-year real property", and

(B) by striking out "15 years" and inserting in lieu thereof "19 years".

(5) Paragraph (2) of section 48(g) of such Code (relating to special rules for qualified rehabilitated buildings) is amended by striking out "18" in subparagraphs (A)(i) and (B)(v) thereof and inserting in lieu thereof "19".

(6) The table contained in subparagraph (B) of section 47(a)(5) of such Code (relating to special rules for recovery property) is amended by striking out "For 15-year, 10-year, and 5-year property" and inserting in lieu thereof "For property other than 3-year property".

(7) Clause (i) of section 57(a)(12)(B) of such Code (relating to real property and low-income housing) is amended by striking out "18 years" and inserting in lieu thereof "19 years".

SEC. 4. EFFECTIVE DATES.

(a) SECTIONS 1 and 2.—The amendments made by sections 1 and 2 shall apply to sales and exchanges after June 30, 1985, in taxable years ending after such date.

(b) SECTION 3.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by section 3 shall apply with respect to property placed in service by the taxpayer after May 8, 1985.

(2) EXCEPTION.—The amendments made by section 3 shall not apply to property placed in service by the taxpayer before January 1, 1987, if—

(A) the taxpayer or a qualifed person entered into a binding contract to purchase or construct such property before May 9, 1985, or

(B) construction of such property was commenced by or for the taxpayer or a qualified person before May 9, 1985.

For purposes of this paragraph, the term "qualified person" means any person who transfers his rights in such a contract or such property to the taxpayer, but only if such property is not placed in service by such person before such rights are transferred to the taxpayer.

(3) SPECIAL RULE FOR COMPONENTS.—For purposes of applying section 168(f)(1)(B) of the Internal Revenue Code of 1954 (as amended by section 3) to components placed in service after December 31, 1986, property to which paragraph (2) of this subsection applies shall be treated as placed in service by the taxpayer before May 9, 1985.

(4) TECHNICAL CORRECTION.—The amendment made by paragraph (6) of section 3(b) shall apply as if included in the amendments made by section 111 of the Tax Reform Act of 1984.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 20 minutes and the gentleman from Tennessee [Mr. DUNCAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2475.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2475, legislation providing a permanent solution to the tax treatment of imputed interest on deferred payment sales of property. Last fall Congress passed temporary legislation modifying the imputed interest rules originally enacted in the Deficit Reduction Act of 1984. These temporary rules are due to expire on July 1, 1985.

The bill provides that, for seller-financed amounts of $2 million or less, the imputed interest rate is the lesser of 9 percent or 100 percent of the Federal rate. The 9-percent rate is not available for new property eligible for the investment tax credit. Both parties in seller/financed transactions under $2 million may elect to use the cash method of accounting, with certain restrictions.

The bill also provides that, for seller/financed amounts between $2 million and $4 million, the amount eligible for the 9-percent rate is reduced by $1 for each dollar that the seller/financing exceeds $2 million. The $2 million and $4 million threshold amounts will be indexed for inflation beginning after 1988.

The bill further provides that, for seller/financed amounts over $4 million, the imputed interest rate is 100

percent of the Federal rate. The Federal rate will be determined on a monthly basis and there is no higher penalty rate. Moreover, the bill will apply to sales or exchanges after June 30, 1985. These imputed interest rules will not apply to assumptions of loans.

In order to ensure that the bill would remain revenue-neutral, the recovery period for real property, other than low-income housing, will be lengthened from 18 years to 19 years. This provision is effective for property placed in service after May 8, 1985, subject to exceptions for binding contracts.

Mr. Speaker, as promised last fall, the Ways and Means Committee has conducted a comprehensive analysis of this difficult issue. It is our strong belief that this legislation, which has been developed on a bipartisan basis, thoughtfully addresses the legitimate concerns raised by last year's legislation. I urge the House to support H.R. 2475.

Mr. Speaker, I reserve the balance of my time.

Mr. DUNCAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join my colleague, Chairman DAN ROSTENKOWSKI in urging the House to adopt H.R. 2475, a bill which modifies the imputed interest provisions of the Deficit Reduction Act of 1984. As many of us are aware, those provisions generated controversy soon after their enactment. As a result, the Congress passed legislation last October which temporarily modified those provisions. That temporary legislation will expire on June 30, thus providing an important incentive for us to act to provide permanent relief in this area. H.R. 2475, the bill currently before the House, does an excellent job of modifying those provisions in a balanced manner which minimizes the revenue impact. The Chairman has accurately described the various components of the bill for the House and I will not restate them here. This is an issue which urgently needs to be addressed before the expiration of the stopgap measure on June 30, and I therefore urge my colleagues to vote for it today.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. I thank the gentleman for yielding this time to me.

Mr. Speaker, I would like first of all to commend the chairman of the committee, the gentleman from Illinois, [Mr. ROSTENKOWSKI], for his leadership and diligence in getting this matter before the House of Representatives. It was last October 1984, when the whole issue of imputed interest came up during the waning hours of the 98th Congress, and the chairman had committed to the gentleman from Texas [Mr. ARCHER], and others that he would have this matter on the floor some time prior to July 1 when the expiration of the temporary rules go out of date.

So I would like to thank the chairman in particular for moving this legislation at the rapid pace he has, and, of course, Mr. DUNCAN, the ranking member on the Republican side, for his leadership in this effort as well.

Mr. Speaker, this measure, as many people know, is very important to the entire construction and real estate industry in the United States, and in particular in areas of high growth such as California. We have relied largely upon seller financing, especially since we have had high interest rates over the last few years. This has caused a great many problems with the old rules because it has created uncertainty, and certainly a situation where many seller-financed transactions were not able to be completed because of the penalty in the imputed test rates.

This legislation, in my opinion, is an excellent piece of legislation. It came out of the Committee on Ways and Means without any dissension, by voice vote.

I might just point out that the $2 million threshold for the 9-percent rate applies to the loan amount and not the market rate or the sales price, but it is the loan amount, so that means the sales price could be much greater than that.

Second, between $2 and $4 million, we have a blend between the 9-percent rate and the applicable Federal rate, and anything over $4 million, of course, is at the applicable Federal rate.

I might just point out one more matter, if I may. The test rate and the penalty rate is exactly the same, so that if a person inadvertently makes an error, his only penalty will be the normal compliance test of the Internal Revenue Service.

One other matter I know is of great concern to many of the Members of the House, and that is the fact that the original rules applied to loan assumptions. This provision does not apply to loan assumptions, and you can use either the accrual or cast methods of accounting in order to consummate a transaction.

So it is my feeling that this is an excellent piece of legislation. As I said, it had strong bipartisan support out of the Committee on Ways and Means, and the industry has basically been happy with this legislation, and we are hopeful that this measure will pass the House of Representatives.

Mr. DUNCAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. ARCHER] who is a member of the committee, who was one of the first advocates of modifying the imputed interest provisions and who has worked diligently for many number of months on this issue.

Mr. ARCHER. I thank the gentleman for yielding time to me.

Mr. Speaker, although I am not completely satisfied with all of the final touches of H.R. 2475, I do rise today in support of the passage of H.R. 2475.

The imputed interest issue became controversial in the closing months of the last Congress when it became apparent that changes in the Tax Reform Act of 1984 could stifle the seller financing of real estate. Just prior to final adjournment, Congress adopted a set of substitute interim rules to be in effect while the Ways and Means Committee worked on a permanent solution.

Even though I'm not completely satisfied with the bill which is now before us, it's probably the most reasonable compromise we can expect to see reported out of committee prior to the June 30 expiration of the stopgap rules.

If no action is taken by the Congress, the onerous imputed interest provisions of the Tax Reform Act of 1984 will go into effect on July 1—a circumstance which could be disastrous.

I'm hopeful that the bill can be further improved in conference with the Senate. There are several areas in which such improvements can be made while retaining protections against the perceived abuses of the tax code which prompted Congress to address this issue in the first place.

As a member of the conference committee in 1984, I opposed the imputed interest rules of the 1984 act, so naturally I am pleased that we're seeing the legislative process go forward to ameliorate the potential damage of the 1984 act.

Chairman ROSTENKOWSKI is to be commended for his expeditious handling of the bill by our committee. He made a commitment last fall to report out legislation before the stopgap rules expire, and the chairman has shown again that he is true to his word—with 6 weeks to spare.

□ 1400

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the chairman of the Ways and Means Committee for yielding me the time.

Mr. Speaker, I will be very brief and say that this legislation represents, I think, the success of the plan that was outlined to the House in the final hours of the last session of Congress.

This imputed interest area raised some concern among many Members of Congress. Many will recall that it was in the late hours of the night

prior to adjournment and we were hung up on that issue, and the chairman of the Ways and Means Committee said, "Look, give us some time to work this out." We developed some stopgap language, and he said, "By 6 months, I will solve this thing and get it through the committee and get it back on the floor." That has been the case, and I commend the chairman of the Ways and Means Committee for that kind of work.

The chairman of the committee put together a small group of Members, including myself, the gentleman from California [Mr. MATSUI], who just spoke, and the gentleman from Texas [Mr. ARCHER], who just spoke, and we spent a number of hours going over these issues. It was a bipartisan group of six Members.

Once we developed some consensus, we brought the plan to the chairman of the committee and brought it to the Ways and Means Committee itself, and this agreement resulted.

I had some concern initially when the Internal Revenue Service was pushing its proposal before the Ways and Means Committee about a year or so ago. Seller financing is an important part of financing arrangements in this country, and in most cases it involves neighbor and neighbor, putting together an arrangement by which the transaction can actually take place. Without seller financing, in most cases the transaction will not occur. I did not think it appropriate or wise for us to move in the direction the Internal Revenue Service wanted us to move because they were really saying, "We want to find ways to increase interest rates on these kinds of transactions." It seems to me that we ought to be moving in exactly the opposite direction.

So I think that what we have come up with today is a really good proposal that solves a problem that was created in the 1984 act, and I just want to commend the chairman of the committee. I also want to commend the ranking minority member, the gentleman from Tennessee [Mr. DUNCAN], for his cooperation.

Mr. Speaker, I think that we have made another step forward in our progress toward a tax system that makes more sense.

Mr. DUNCAN. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding me this 1 minute.

Mr. Speaker, I want to associate my remarks with those of the previous speaker and those of the gentleman from Texas [Mr. ARCHER] as well.

Last fall, in the waning hours of the 98th Congress, we had a very hot debate on imputed interest, and the chairman of the Ways and Means Committee was very much aware of the problems that the real estate industry, the housing industry, and the construction industry had with the legislation at that time. He gave his word to members of those organizations and to the Congress of the United States that he would deal with this problem expeditiously before the June deadline, and he has done that.

Mr. Speaker, I think the members of those industries and the House of Representatives owe a debt of gratitude and respect to the chairman of the Ways and Means Committee, and I want to publicly acknowledge that right now.

Mr. DUNCAN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, recalling those very same waning hours to which allusion has been made several times, during that last session there was one thing that was left hanging, as far as I was concerned, and I am not sure what the answer is, even up to this moment.

What happens to the sales agreement that was entered into between January 1 of this year and the time that we finally pass this legislation? I am not sure that the interim rules, even if intended to cover that situation, in fact legally cover the situation. Is that not kind of a hiatus situation which we have not addressed?

The gentleman from Texas, I think, was concerned with that same question during that last debate in the final minutes of the last session.

Mr. ARCHER. Mr. Speaker, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Texas for the purpose of setting me straight.

Mr. ARCHER. Mr. Speaker, the effective date of the act that we are now considering which would set forth permanent rules will be on July 1 of this year, so any contracts that are entered into from January 1 until July 1 will be covered by the stopgap rules that this Congress passed at the end of the last session. This law will not be retroactive to go back and pick up the period of time from January 1 until July 1.

Mr. GEKAS. Mr. Speaker, I will recapture my time.

I recognize what the intent is. I am asking, has any thought been given to the legal effect of a sales agreement that is entered into between January 1 and July 1, notwithstanding our interim rules? I do not think that Congress can retroactively cure some contract that is entered into in this vacuum period. Was any thought given to that at all?

Mr. ARCHER. Mr. Speaker, if the gentleman will yield further, it really is not a vacuum period because Congress established rules at the end of last year to cover this period of time, and those rules will cover it. They were in the stopgap legislation.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. GEKAS] has expired.

Mr. DUNCAN. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I have one further question of the gentleman from Texas.

Is the final bill in conformity with the interim rules?

Mr. ARCHER. The final bill is more liberal in its treatment of seller financing than the interim rules.

Mr. GEKAS. Then I understand perfectly.

Mr. Speaker, I thank the gentleman very much, and I yield back the balance of my time.

● Mr. LEVINE of California. Mr. Speaker, I rise in support of H.R. 2475 which resolves the issue of tax treatment of imputed interest on deferred payments of property. For many months, homeowners have hesitated to negotiate the sale of their property because of the unfairness and uncertainty surrounding imputed interest regulations and legislation. The Ways and Means Committee has reported out legislation which permanently protects the seller financing prerogatives of homeowners and property owners nationwide.

Ever since Congress passed the Deficit Reduction Act of 1984, I have joined my colleagues in both Houses in working to repeal the 1984 imputed interest rules. These rules raised the minimum interest rate which a seller could charge while financing the sale of his property and slapped costly tax penalties on him for not charging the Government-established rate. Had these rules taken effect—and they will at the beginning of July unless Congress takes immediate remedial action—they would severely limit the financing options of all property buyers and sellers.

While the initial imputed interest provisions were never designed to affect primary residences, the $250,000 exemption contained in the rules did not adequately protect many homeowners. Much residential property in Los Angeles County, for example, has increased in value by more than 10 times in the last decade. Consequently, if the 1984 imputed interest rules take effect, they will significantly discourage many seller-financed transactions from taking place in Los Angeles and in other high-property-value communities.

The decision to seller-finance property is a legitimate and risky venture. The Federal Government should not penalize individuals who take advantage of this necessary financing tool. Moreover, the Federal Government should not meddle into the legitimate

private bargaining between a private property buyer and seller.

I am pleased that H.R. 2475 eliminates the tax penalties—as mandated in the Deficit Reduction Act of 1984—imposed on individuals engaging in seller-financed transactions. For transactions less than $2 million, H.R. 2475 actually provides individuals with greater leeway in negotiating the terms of a seller-financed agreement.

Our Government has consistently promoted the purchase of single family homes. With passage of H.R. 2475, Congress can once again provide individuals with the necessary economic latitude and opportunity to pursue that worthy goal.●

● Mrs. LLOYD. Mr. Speaker, today we are correcting one more of the mistakes contained in the 1984 tax bill. Just recently, the House passed a repeal of the contemporaneous recordkeeping requirement which many of us had been working for and now we are acting on the provisions which would have all but eliminated seller financing.

We were right to delay the effective date from January 1 to July 1. In doing so, we gave the Ways and Means Committee time to act. And while I am not totally satisfied with their product, it has taken us one step closer toward correcting the problem. I hope that additional corrections will be made as the bill moves through the legislative process.

But it is essential that the House act now. The June 30 deadline is fast approaching and already many sellers are reluctant to negotiate—understandably so. The cost to them could be significant if their closing should occur after that date. We cannot expect taxpayers to comply when regulations are vague or when congressional action is uncertain. We must approve this legislation today to further demonstrate our determination to repeal the 1984 rules. Seller financing must be preserved.●

● Mr. AKAKA. Mr. Speaker, I rise today to support the fine work of the Ways and Means Committee in addressing the imputed interest/seller financing problem. It is a tribute to the leadership of Chairman DAN ROSTENKOWSKI, the initiative of Representative BOB MATSUI and the hard work of the committee that the bill before us today is a giant step toward a final solution. Their thoughtful and expeditious action on this controversial issue is to be commended.

The bill presently on the floor is in response to certain provisions of the Deficit Reduction Act, signed into law July 1984, which substantially changed the taxation of seller-financed real estate transactions. Prior to the Deficit Reduction Act, a seller of real property financing the transaction had to charge the buyer at least 9 percent interest. If the interest rate was below 9 percent, the Internal Revenue Service [IRS] could impute interest to the transaction and tax the seller as if 10 percent interest were received.

The Treasury Department felt that pre-Deficit Reduction Act law allowed abuses by some sellers who inflated the selling price of their property in return for providing low interest financing to the buyer. In addition, buyers could claim current tax deductions for interest accrued in the transaction, but not paid until sometime in the future.

In response, the Deficit Reduction Act of 1984 required seller financing to carry an interest rate at least equal to 110 percent of the 6-month average interest rate on Federal securities of comparable length, known as the "Applicable Federal Interest Rate" [AFR]. It also obligated the seller to include into current income some, or all, of the buyer's accrued interest deduction. The amount of the forced income was also to be at equal to 110 percent of the AFR.

Soon after the enactment of the Deficit Reduction Act, Congress became convinced that the potential harm to the real estate industry was serious enough to warrant interim provisions limiting the application of the imputed interest/seller financing provisions. The bill we are considering today, reported out by Chairman ROSTENKOWSKI and the Ways and Means Committee, expands upon the groundwork set by the interim provisions and provides this House a commonsensical initiative upon which to act.

My fellow colleagues, we all realize the significant role seller finance fulfills in the real estate industry. Let us put our shoulders squarely behind the task and give our unwavering support to this worthy piece of legislation.●

● Mr. HAMMERSCHMIDT. Mr. Speaker, in July of last year, the 98th Congress passed the Tax Reform Act of 1984, which I did not support. Among the objectionable provisions included in this bill was one that would impose a tax penalty on sellers who finance certain sales at below-market rates. These new rules became so controversial that in the closing days of the 98th Congress, we adopted a set of interim rules to be used while a satisfactory permanent solution was being developed.

While the changes included in the Tax Reform Act were supposedly aimed at curbing some perceived abuses in this area, the new rules went far beyond that and unfairly penalized the innocent who comprise the overwhelming majority involved in seller-financing. In many transactions, seller financing would cease to exist, at the very time this method of financing is again becoming an increasingly important factor in the sale of homes, farms, and small business.

For many years, the ability and willingness of owners to finance sales of residences, farms, multifamily dwellings, and businesses at affordable interest rates has enabled people to continue to do business despite unaffordable rates charged by third-party institutional lenders. This has been especially true during high or rising interest rate periods. For example, during the high interest rate recession of 1982, 34 percent, or approximately 800,000 home sales, and 41 percent of all farm sales, involved seller financing at an average 11.8-percent interest rate.

Today, we have before us a bill which I feel makes substantial progress in moving toward preserving this valuable tool in property sales financing. As a sponsor of legislation to completely repeal the imputed interest rules, I want to commend my colleagues on the Ways and Means Committee for crafting compromise legislation which represents a significant improvement over the provisions of the 1984 act. Since I have been involved in efforts to resolve this situation since the problems surfaced at the end of last year, I believe the legislation under consideration on the floor today represents a reasonable compromise. However, I am hopeful that it can be improved further as it goes to the next legislative step, House-Senate conference.●

Mr. DUNCAN. Mr. Speaker, I have no further requests for time.

Mr. ROSTENKOWSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill H.R. 2475.

The question was taken.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

SENSE OF THE HOUSE REGARDING RATIFICATION OF THE GENOCIDE CONVENTION

Mr. BONKER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 166) expressing the sense of the House of Representatives with respect to ratification of the Convention on the Prevention and Punishment of the Crime of Genocide, as amended.

The Clerk read as follows:

H. RES. 166

Whereas the twentieth century has witnessed repeated instances of genocide;

Whereas in 1948 the United Nations General Assembly, in order to prevent a repitition of the Nazi's systematic annihilation of a people, unanimously approved the text of the Convention on the Prevention and Punishment of the Crime of Genocide;

Whereas the United States representatives to the United Nations played a leading role in drafting the Genocide Convention and advocating its adoption;

Whereas since 1948 ninety-six nations have become parties to the treaty;

Whereas since 1948 Presidents of the United States representing both major political parties, including President Reagan, have consistently requested the Senate to act favorably on the treaty;

Whereas the Senate Foreign Relations Committee has on five separate occasions reported favorably on the treaty and recommended that the Senate advise and consent to the ratification of the treaty, most recently with the three understandings and one declaration called for by President Reagan;

Whereas on October 11, 1984, the Senate approved Senate Executive Resolution 478 by a vote of 87 to 2, expressing its support for the principles embodied in the Convention and declaring its intentions to act expeditiously on the Convention; and

Whereas the United States remains the world's leader in efforts to bring to an end crimes against humanity and all human rights violations: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the United States should signify its continuing commitment to ending genocide by promptly joining the ninety-six other nations which have become parties to the Convention on the Prevention and Punishment of the Crime of Genocide.

SEC. 2. The House of Representatives declares that it will act expeditiously on the required implementing legislation as soon as the Senate gives its advice and consent to ratification of the Genocide Convention.

The SPEAKER pro tempore. Is a second demanded?

Mr. SOLOMON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Washington [Mr. BONKER] will be recognized for 20 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington [Mr. BONKER].

Mr. BONKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 166 expresses the sense of the House that the United States should signify its continuing commitment to ending genocide by promptly joining the other 96 nations which have become parties to the Convention on the Prevention and Punishment of the Crime of Genocide. The resolution further declares that the House will act expeditiously on the required implementing legislation once the Senate gives its advice and consent to ratification of the Genocide Convention. House Resolution 166 was approved by the Human Rights Subcommittee on April 24, and the full Foreign Affairs Committee approved the resolution on May 14, 1985. This resolution enjoys the bipartisan support of more than 60 Members of the House.

In the aftermath of the Nazi genocide during World War II, the United States was instrumental in negotiating this Convention. The genocide treaty establishes the commission of genocide as an international crime and, through enactment of domestic implementing legislation required by the treaty, makes it a crime within each member state. The convention defines the crime of genocide and the acts which constitute the commission of the crime of genocide. The treaty must be implemented by each individual country; thus the treaty does not define specific punishments, but obligates each signatory to define the crime of genocide consistent with the country's Constitution and to provide for punishment within that country consistent with the Constitution and laws of that country.

The United States signed the convention on December 11, 1948, and President Truman transmitted it to the Senate urging ratification in June 1949. Since that time, every administration, with one exception, has endorsed U.S. adherence to the Treaty. President Reagan, in an address to the B'nai B'rith international convention last September, committed his administration to securing U.S. ratification, supporting implementing legislation, and using the treaty to protect human rights. The Senate has considered the convention numerous times over the last three decades, and the Foreign Relations Committee has reported the treaty favorably no less than five times. The Senate voted overwhelmingly last October to approve a resolution expressing support for the principles contained in the convention and declaring its intent to move expeditiously on the Treaty. It is my understanding that the Foreign Relations Committee is again beginning consideration of the treaty today.

Following exhaustive study over the last 36 years, the American Bar Association strongly supports U.S. ratification with three proposed understandings and one declaration which President Reagan has endorsed. The ABA has concluded that there are simply no constitutional conflicts posed by the treaty, qualified by the understandings and declaration, and that there are absolutely no constitutional or other domestic legal impediments to prompt Senate advice and consent.

For purposes of the record, I would like to explain briefly the understandings and declaration. The first understanding clarifies language in article II of the convention that genocide is not merely murder, but "the intent to destroy in such a manner as to affect a substantial part of the group concerned." In other words, a crime intended for the mass destruction of a national, ethnic, racial or religious group. Suggestions that the murder of one person could constitute genocide are simply without merit.

The second understanding clarifies the "mental harm" language of article II to mean the "permanent impairment of mental faculties," and clarifies the well-established constitutional protection of free speech.

The third understanding addresses the concern that U.S. citizens would be required to be tried in a foreign nation in a forum without the constitutional safeguards afforded by our judicial system. It states that nothing in article VI "shall affect the right of any state to bring to trial before its own tribunals any of its nationals for acts committed outside the state." This will assure the full and continued independence of the American legal system and the continued extension of all constitutional guarantees afforded U.S. citizens.

Finally, the declaration would state that the United States "will not deposit its instrument of ratification until after the implementing legislation referred to in article V has been enacted." Implementing legislation must, of course, be consistent with our Constitution, fully define the crime of genocide for domestic purposes, and prescribe penalties for a conviction on charges of genocide. This declaration assures the continued involvement of Congress and the President in implementing the Genocide Convention.

Mr. Speaker, U.S. ratification of the Genocide Convention will strengthen the position of our country in the struggle to promote respect for human rights and place the United States firmly on record in condemnation of this abhorrent crime. We must not allow those who would perpetrate the unspeakable crime of trying to exterminate a national, ethnic, racial, or religious group to find sanctuary anywhere in the world. I urge my colleagues to adopt House Resolution 166.

□ 1410

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. BONKER. I am happy to yield to the distinguished chairman of the Foreign Affairs Committee.

Mr. FASCELL. Mr. Speaker, I thank the gentleman from Washington who is managing this resolution on the floor today for the committee. I want to commend the gentleman from California for his able and dedicated work in developing this resolution.

House Resolution 166 establishes for the record, the House's support for the ratification of the Genocide Convention and declares the intention of

this Chamber to act expeditiously on implementing the legislation required by the provisions of the convention.

The Genocide Convention is an international treaty. Called the International Convention on the Prevention and Punishment of the Crime of Genocide, its purpose is to make genocide an international crime, whether committed during times of peace or war. The convention also provides that constitutionally responsible rulers, public officials as well as private persons who commit genocide or conspire or comply in committing genocide are to be punished as international criminals. Persons charged with the crime of genocide are to be tried by a competent tribunal of the state where the act was committed.

Genocide is not a new international crime as contemporary cases in Cambodia and Uganda demonstrate. But Hitler's persecution of various minorities, especially the Jewish people during World War II, gave particular impetus to the U.N. preparation of the convention. The U.N. General Assembly unanimously adopted the convention on December 9, 1948. It came into force in 1951. Today more than 90 states are parties to the convention. The United States, however, has not yet ratified it since President Truman transmitted it to the Senate in 1949.

Since then, in the other body, the Foreign Relations Committee has held several hearings on the convention. Most recently, the committee considered the subject at a hearing in March of this year. I understand that the Foreign Relations Committee plans to meet today to mark up their resolution with several provisos offered by Mr. LUGAR and Mr. HELMS.

Ratification of the Genocide Convention should strengthen U.S. diplomacy on human rights in both bilaterial as well as multilateral meetings. Once the Genocide Convention is ratified, and the implementing legislation enacted, I sincerely hope the President will then address five other human rights conventions pending before the Senate: the two international covenants, the Convention on the Elimination of Racial Discrimination, the Convention on the Elimination of Discrimination Against Women, and the Inter-American Convention.

Clearly, it is in our national interest to be able to show our friends, allies and even adversaries that the United States means what it says about its tradition and commitment to human rights and fundamental freedoms. We have long cherished these traditions at home and it is high time we demonstrated our support for them abroad by subscribing to these international human rights treaties. The Genocide Convention is a most commendable measure on which to being this important effort. I urge the adoption of this resolution.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I became concerned about the Genocide treaty a number of months ago when the resolution by our distinguished colleague, the gentleman from California [Mr. LEVINE] was introduced. Not many of us knew much about it, but when I discovered that the treaty itself had been pending for ratification in the U.S. Senate since 1949, some 36 years ago, and under both Democrat and Republican control, I became somewhat concerned and interested about why it had not been ratified.

Then I came across a letter from Senator Sam Ervin to Senator Percy of Illinois, then Chairman of the Foreign Relations Committee. In that letter, the distinguished Sam Ervin, who was not only a constitutional lawyer, but one of the most respected Members of the Senate who ever served in that body, stated that the Genocide Convention "contains the greatest foolishness ever presented to the Senate in the form of a treaty."

Therein lies my concern on the treaty.

Let me say at the outset that I appreciate and respect the sincerity and dedication with which the gentleman from California [Mr. LEVINE] has offered this resolution. The gentleman has gone out of his way to accommodate my concerns, and I would like to engage the gentleman in a brief colloquy after I make a few introductory comments.

Mr. Speaker, one of the major concerns that I have as a Member of Congress, and particularly as the ranking Republican on the Human Rights Subcommittee, is the degree to which this present era in time is characterized by moral confusion and evasion. One would think that a century which has witnessed the unspeakable horrors of the last 80 years—man's inhumanity to man on a scale that previous centuries could have scarcely imagined—that such an experience would lead to a heightened sense of moral responsibility and clarity. But such is not the case. And it would seem that totalitarian justice has become the only moral absolute in this modern age. Totalitarian justice—the only ethical ideal that is being propagated today without equivocation.

So I have tried to view the Genocide Convention within this larger context. Frankly, we all have a lot of work to do toward restoring a moral climate in which human rights are respected and the crime of genocide can be banished. There are numerous treaties, accords, and statutes already on the books that are regularly violated in the name of totalitarian justice. Human rights are being denied—and we have not demanded accountability for fear of offending the totalitarians whose signature on any international document is not worth the paper it is written on.

Now, Mr. Speaker, before engaging in a colloquy with the gentleman from California, I yield such time as he may require to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, I rise in benign indifference to the adoption of this resolution—because once more we impose our advice and consent on the other body, whose sole responsibility it is to deal with treaties.

However, this resolution is harmless, as I am informed that the problems some have with it are being resolved.

It might be interesting if some Third World country were to study Singapore, Japan, Hong Kong, or Taiwan and decide that the population planners so beloved of many of my colleagues, and the international abortion promoters such as Planned Parenthood are really not as interested in economic development as in holding back development by keeping their populations at a very low level. They just might view these depopulation programs as little more than disguised genocide.

I would never make such a charge, but you never know what these Third World countries might do, and a charge of genocide to be defended before a U.N. court would test the mettle of, say a Ramsay Clark, at least.

Surely no one in this Congress supports genocide, but one must ask if this resolution, or this treaty for that matter, will accomplish anything to combat the mass murders that have characterized our times as among the most barbaric in history. More so, perhaps, because we have developed more efficient methods of extermination than our ancestors ever dreamed of.

My own lack of enthusiasm for this treaty rests in the conviction that we seem to substitute talk—and that is what a treaty is, talk reduced to writing—for the actions needed to halt the lawlessness and inhumanity that plague our time. Those who applaud this resolution may really believe they have struck a blow for humanity—and if their concerns stop at this point, then this treaty becomes less than a fig leaf to conceal the naked lack of will to do anything effective to half genocide.

"Give peace a chance" was the cry 10 years ago, as our last helicopters left the rooftop of our Embassy in Saigon, leaving in the distance the outstretched hands of those Vietnamese whose fatal error was to trust us. If we would only quit Indochina, the killing would end, we were told by some who still presume today to give us advice of equal insight—but the "murder of a gentle land" goes on as we speak, an on-going act of genocide which has killed one-third of the pop-

ulation of Cambodia so far and produces millions of refugees—boat people, half of whom drown, all fleeing the Marxist paradise we left behind. We have become practiced at averting our gaze from this holocaust, as we move from resolution to treaty and back again. In a brilliant analysis of this subject published in yesterday's Washington Times, Peter Wehner of the Ethics and Public Policy Center refers to Indochina as a "region free of U.S. involvement, and it is a region at war with its people. Where are the cries for justice * * * the anguish * * * we have left southeast Asia to live in splendid isolation. Come home, America!"

If we are serious about stopping genocide, why don't we grasp the fact that Solzhenitsyn has been trying to teach us—that there are certain qualities intrinsic to Communist systems—"Rulers change" he wrote, "but the Gulag Archipelago remains."

It is almost amusing—if anything can be called amusing in the context of so much suffering—that the newfound revulsion expressed by some on the left for Comandante Ortega depends, not on what he and his fellow commandantes have been saying and doing to peace and freedom these past 5 years, but on the ineptitude of his travel agent. Thus does symbolism move the "party of the people" in this Chamber.

But the same arguments we have heard so many times before are being heard again, that the United States is to blame for the tensions in Central America and that President Reagan seeks war rather than a negotiated political settlement. Parenthetically, have you ever known of a Communist who would give you power because you asked him for it?

The point is, that terror and repression are the very essence of Marxist-Leninist states, whether in Ho Chi Minh City, Havana, or Nicaragua, and genuine peace is not the product merely of talk, treaties or wishful thinking.

The problem with so many congressional resolutions is that they serve as a substitute for ever doing anything useful—and hence translate into irresolution.

A piece of paper can't stop a knife or bullet—only a policy that comes down on the side of freedom everywhere—in the mountains of Afghanistan or the mountains of Central America, a policy that doesn't erect a shield of pseudolegality around expansionist communist states that immunizes their export of subversion while it paralyzes those who resist.

You offer us talk, rhetoric, resolutions, words, paper—when freedom on the run pleads for effective action.

Vote for this resolution if you care to—convince yourself and the media that you are striking a blow against genocide—but try not to end the matter here—with a piece of paper—and not even a paper tiger at that, more like a paper pomeranian.

□ 1420

Mr. BONKER. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. LEVINE] who is the chief sponsor of this legislation.

Mr. LEVINE of California. Mr. Speaker, first of all I would like to commend the gentleman from Washington for floor managing and bringing this resolution to the floor. I would like to commend the gentleman from Pennsylvania, chairman of the Subcommittee on Human Rights, and the gentleman from Florida, the chairman of the full committee, for the thoughtful consideration they have given to this resolution.

Before making a brief statement in support of the resolution I would like to compliment the gentleman from Illinois [Mr. HYDE] who just spoke. He was eloquent as usual. And I do wish to suggest that in terms of this resolution nobody is suggesting that this resolution in and of itself and by itself is going to resolve all of the problems that are contained in the resolution. I think that we all understand that a variety of other actions are essential, are necessary, and that this is one step in a direction of trying to pinpoint problems of great significance in the international arena.

But none of us who support this resolution, and my conclusion from the gentleman's comments is that he might also support this resolution, believe that by that support we will in and of itself eliminate all of the problems that are addressed herein.

I do believe, however, that the problems addressed by the resolution are significant and are problems that beg for resolution and beg for the type of international framework that was provided by the United Nations at the end of World War II.

The fact that our President and our most recent U.N. Ambassador have both urged that the United States ratify this convention, I think testifies to the breadth of support that exists in favor of ratification of the Genocide Convention.

I think that while points of significance have been made raising questions pertaining to sovereignty, jurisdiction, and scope, all of those points have been adequately resolved and in fact the very fact that the American Bar Association, which was perhaps the most respected organization in opposiiton to ratification for a number of years is now in the forefront of those who support ratification, and in fact is one of the strongest supporters of this resolution, should help to dispel any of the concerns that people may have had in the past with regard to questions of legality, sovereignty, or jurisdiction.

Mr. Speaker, thank you for scheduling consideration of House Resolution 166, expressing the sense of the House of Representatives that the United States should signify its continuing commitment to ending genocide by ratifying the Convention on the Prevention and Punishment of the Crime of Genocide. This resolution, which I introduced jointly with Congressman FISH, is similar to the one introduced in the last session of Congress and has the approval of the American Bar Association and Amnesty International. At this time there are 73 cosponsors, across the political spectrum.

The purpose of this convention is to make genocide an international crime, whether committed during peace or war. It was the United Nation's first human rights treaty, born in the aftermath of World War II and the Holocaust.

Determined to prevent a repetition of the Nazi's deliberate and systematic annihilation of the Jews, the U.N. General Assembly on December 11, 1946, unanimously passed a resolution declaring genocide a crime under international law. Two years later the General Assembly approved the text by a unanimous vote.

The convention has been in force since January 12, 1951, and 96 other countries have become parties. Although U.S. representatives to the United Nations played an important role in drafting the treaty and signed the convention on December 11, 1948, 2 days after adoption, the United States has yet to ratify the convention.

The Senate Foreign Relations Committee has favorably reported the Genocide Convention on five separate occasions, most recently on September 19, 1984. In lieu of action on the convention, the Senate on October 11, 1984, adopted by a vote of 87 to 2 a resolution supporting the principles of the convention and pledging expeditious action on it in 1985. President Reagan himself has called for approval of the Genocide Convention by the Senate. As you know, the Senate Foreign Relations Committee has been considering the convention and a resolution of ratification, and did so again today.

It is especially appropriate that the House consider House Resolution 166 at this time. This year is the 70th anniversary of the Armenian genocide and the 40th anniversary of the liberation of the Nazi concentration camps. Last month Holocaust Memorial Week was commemorated, a heartwrenching time when survivors of the Nazi death camps gather together to share experiences and memories, and perhaps to find a lost friend or relative. April 24, the day the Human Rights Subcom-

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mittee reported out this resolution, marked the 70th anniversary of the beginning of the Armenian genocide.

Clearly, ratification of the Genocide Convention is as important today as it was when it was first introduced 36 years ago. We are fortunate to live in the United States, a land of freedom and security. But even today genocide is taking place in such places as Cambodia and Iran.

The Genocide Convention has been before the Senate for 36 years. It is time for the United States to take its place along with the 96 parties to the convention, and I believe the time has come for the House to take a formal stand on its ratification. It is entirely appropriate that we do so. I might add that the administration supports the resolution as it now stands.

I would like to add, Mr. Speaker, that there can be no forgetting of any of the previous genocides that have occurred. Genocide is a crime against all humanity and must be condemned now and forever. This resolution is meant to include all genocides, whether they occurred during World War I, World War II, or in present times. Any attempt to interpret this resolution otherwise would be a misreading of the facts.

I would like to thank the chairman of the Foreign Affairs Subcommittee on Human Rights and International Organizations, Mr. YATRON, and the chairman of the full committee, Mr. FASCELL. Both have been supportive and cooperative in shepherding through this resolution. I would like to thank the Speaker again, as well, for scheduling its consideration. I urge passage of this resolution.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. GILMAN], a member of the committee.

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of House Resolution 166, legislation expressing the sense of the House that the United States become party to the Convention on the Prevention and Punishment of the Crime of Genocide. I am pleased to be a cosponsor of this legislation and I commend the chief sponsor of this resolution, the gentleman from California [Mr. LEVINE], for his diligent work and initiative in bringing House Resolution 166 to the House.

I believe that it is extremely important that the United States ratify the Genocide Convention. As the resolution points out, "the 20th century has witnessed repeated instances of genocide", and indeed, "in 1948 the U.N. General Assembly, in order to prevent a repetition of the Nazis' systematic annihilation of a people, unanimously approved the text of the Convention on the Prevention and Punishment of the Crime of Genocide." Since 1948, 96 nations have become parties to the treaty. On numerous occasions, the Senate and Presidents of the United States have indicated their support for the convention, and it is imperative that action be taken to complete our process of support for the convention. Such support, as the resolution indicates, includes expeditious action by the House of necessary implementing legislation.

Accordingly, Mr. Speaker, in keeping with the House's proud tradition of speaking out in support of human rights, I urge my colleagues to suspend the rules and pass House Resolution 166. In so doing, it is my hope that we can provide impetus to a process whereby the United States can join the ranks of so many other nations of the world which, in supporting the Genocide Convention, hope to prevent any recurrence of the barbaric atrocities committed during the 20th century against humanity.

Mr. BONKER. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Speaker, I rise in strong and enthusiastic support of House Resolution 166, a measure that would put this body firmly on record in support of American ratification of the Convention on the Prevention and Punishment of the Crime of Genocide. The time is long overdue for the United States, the world's leader in the protection of fundamental human rights, to signify its commitment to end the practice of genocide by joining the 96 other nations that have become parties to this treaty.

The convention, negotiated in the late 1940's in response to the brutal and calculated slaughter of 6 million Jews by Hitler's Nazis defines genocide as the intentional destruction of any national, racial, ethnic, or religious group by killing its members, causing them serious physical or mental harm, imposing living conditions intended to bring about their destruction, or preventing birth.

This treaty, which was the United Nations' first human rights accord, stipulates that genocide, whether committed during peace or war, is an international crime which must be prevented and punished.

Mr. Speaker, the Holocaust represents perhaps the most devastating example of genocide. The fact that one crazed man was able to secure the political and military power that permitted him to organize and execute a plan of such massive human destruction and misery must be never be stripped from our memories.

We must not delude ourselves; it is entirely possible for such an atrocity to be repeated. It is my hope that ratification of the Genocide Convention will serve as a catalyst for reaffirming the determination of the American people to prevent such inhuman behavior from ever again prevailing while most of the world stands idly by.

Ratification of the Genocide Convention is as important today as it was when first drafted in 1947. We are fortunate to live in the United States, a land of freedom, opportunity, and security. But even in the past decade we have again seen genocide perpetrated; this time against the people of Cambodia, in a most brutal fashion.

Mr. Speaker, it is time for the United States to assume its proper place along with the other signatories to the Convention on the Prevention and Punishment of the Crime of Genocide. I urge my colleagues in the House to join me in voting for House Resolution 166.

□ 1430

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume for the purpose of engaging the gentleman from California [Mr. LEVINE] in a brief colloquy if I may.

Mr. LEVINE of California. I would be happy to do so.

Mr. SOLOMON. Mr. Speaker, I might say again I want to commend the gentleman, Mr. LEVINE, because he is a distinguished gentleman in every sense of the word when negotiating to bring his bill or resolution to the floor.

Mr. Speaker, we exchanged views in writing concerning different aspects of the Genocide Convention and its interpretation, and I would just like to ask the gentleman for his reassurance to the House that this resolution does not preclude or prejudge the terms under which the Senate may ratify the Genocide Convention. In other words, the Senate can adopt the eight reservations proposed by various Members of the Senate if that is what is necessary to secure ratification. I ask the gentleman is that correct?

Mr. LEVINE of California. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from California.

Mr. LEVINE of California. I thank the gentleman for yielding.

Mr. Speaker, I thank the gentleman for raising the question. I would also like to compliment the gentleman for his courtesy and thoughtfulness in the course of this dialog.

In response to the question of the gentleman, that is correct. House Resolution 166 does not preclude or prejudge the terms under which the Senate should ratify the Genocide Convention. The resolution merely expresses the sense of the House of Representatives that the United States should signify its continuing commitment to ending genocide by ratifying the Genocide Convention. It does not comment on the specific reservations, declarations, or understandings the other body may see fit to include.

Mr. SOLOMON. I certainly thank the gentleman for those remarks.

The gentleman also acknowledged in our private discussions that political groups were excluded from the definition of genocide contained in the convention because such groups cannot be adequately defined. I would just ask the gentleman: Was not the exclusion of political groups a concession to the Soviet Union and are not those nations that are prone to practicing genocidal policies also prone to say that the victims of such policies are political opponents and therefore not in fact victims of genocide? Just for example, the Soviets can excuse their atrocities in Afghanistan and the horrors perpetrated by their proxies in Cambodia on the ground that their victims are political opponents of the new order. And that bothers me a great deal.

Mr. LEVINE of California. Mr. Speaker, I think that the gentleman raises a very important question, and I would like to clarify.

The negotiating history of the convention indicates that there were a number of nations which objected to including groups under the convention. Political groups were excluded from applicability because they cannot be adequately defined. The convention covers the mass killings of people for who they are, not for what they do. A person is either a Jew or not; a Swede or not; a Cambodian or not. Being a member of a political group represents a different phenomenon and introduces a subjective element, since it is extremely difficult to define either what is a political group or who is a member of one. In addition, political groups can be transient or ad hoc in nature, and they would be extremely difficult if not impossible to monitor.

The Genocide Convention aims at a carefully defined phenomenon—the mass killing of people. Proponents do not claim that it covers every and all kinds of mass murders, or that what it does not cover is therefore condoned.

As for the question of whether or not nations that would be prone to practice genocidal policies would say that the victim of such policies were political opponents: They might in fact do so, but whether their claim would be legitimate or not would be up to the International Court of Justice to decide in accordance with its responsibilities outlined in article IX of the convention.

Mr. SOLOMON. If I may point to article IX of the Genocide Treaty itself, which says:

> Disputes between the contracting parties relating to the interpretation, the application or fulfillment of the present convention, including those relating to the responsibility of a state, for genocide or any of the other acts enumerated in Article III shall be submitted to the International Court of Justice at the request of any of the parties to this dispute.

I would like to call to the attention of the Members that more than 19 countries have exempted themselves from that provision in the treaty, and all 19 of those countries happen to be Soviet bloc countries and I would ask the rhetorical question why have they exempted themselves? But more directly let me ask the gentleman a final question: I wonder if the gentleman could clarify what was written in his analysis that he provided to me. He said that on the one hand he stated that the Genocide Convention is not self-executing and that its language would not become enforceable law in the United States. That is really what I wanted to hear. But then on the other hand the statement goes on to say that the World Court will decide on legal disputes concerning the interpretation, the application, or fulfillment of the convention and that such judgments will be based on the text of the convention itself and on international law. I would just ask the gentleman what are these international laws and do they know for sure that these laws do not conflict with U.S. law, because although the Soviet bloc, some 19 countries, had exempted themselves from article IX, I have the same concerns that perhaps the international laws or the International Court may try to supersede U.S. laws and our own Constitution. That very much bothers me.

Mr. LEVINE of California. I thank the gentleman for raising this important question.

In the United States there are two kinds of treaties. Self-executing treaties become effective when they are ratified. No additional legislative action is necessary. Treaties that are not self-executing, however, cannot be enforced until implementing legislation is approved by both Houses of Congress and signed by the President. The Genocide Convention is not a self-executing treaty. Once it is ratified, therefore, both Houses of Congress must consider implementing legislation to make genocide a crime under the statutes of the United States.

By ratifying the Genocide Convention, the United States agrees to adhere to its provisions. Like some 50 treaties already ratified by the United States, dispute settlement under the Genocide Convention falls within the compulsory jurisdiction of the International Court of Justice. Article IX of the Genocide Convention designates a restricted role for the International Court of Justice; that is, it may only address questions of interpretation, application, or fulfillment of the treaty's provisions by any contracting party.

In carrying out its role, the ICJ will primarily look at the specific provisions of the convention, and at the legislative or negotiating history of the document. Many provisions of the Convention reflect preexisting customary international law of treaties; for example, the principle that treaties must be adhered to in good faith.

Mr. SOLOMON. I thank the gentleman for his explanation. The gentleman certainly speaks with great clarity.

Mr. Speaker, as I said before, I did not object to this resolution coming before the House. I did indeed assist the gentleman in bringing it before the House, because I thought it should be properly debated here even though it is more properly before the other House, which has the authority to ratify treaties.

I think the Members have heard the debate. We will certainly let them decide for themselves.

I thank the gentleman again for being so cooperative.

□ 1440

Mr. LEVINE of California. If the gentleman would yield for 30 additional seconds, I would like again to thank the gentleman from New York who has been extremely thoughtful and cooperative in ensuring that a proper debate on this issue be brought before the Members.

Mr. Speaker, the gentleman from New York has been most cooperative and helpful, and I wish to commend him.

Mr. SOLOMON. I thank the gentleman for his remarks.

Mr. BONKER. Mr. Speaker, as we conclude our debate on House Resolution 166, I would just like to remind Members that this resolution does not necessarily or explicitly direct the Senate or the Senate Foreign Relations Committee to take action on the pending treaty.

What the resolution does provide is that it is a sense of the House that the United States should signify its continuing commitment to ending genocide promptly by joining the 96 other nations which have become parties to the convention on the prevention and punishment of crimes of genocide.

I think it is very proper expression for this body.

I would also like to remind Members that the Senate last year passed a similar resolution, affirming the principles of the Genocide Convention by a vote of 87 to 2.

Mr. Speaker, at this point I will place in today's RECORD a letter from the chairman of the Senate Foreign Relations Committee, RICHARD LUGAR, to his colleagues concerning the status of his work on the treaty, plus other material on the so-called revised Lugar-Helms provisos, which I understand will be submitted in the course of their deliberations.

[The letter and provisos follow:]

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, May 6, 1985.

DEAR COLLEAGUE: Last year the Senate passed a resolution affirming the principles of the Genocide Convention by a vote of 87–2. That resolution urged expeditious action by the Foreign Relations Committee to report the Convention to the Senate in the 99th Congress.

In the spirit of that resolution, I have convened one mark-up session for the Convention already and will convene a second on May 16th. At that time, Senator HELMS and I will offer a series of eight provisos to accompany the resolution of ratification. Four of these are similar or identical to ones the Committee has approved in previous years; the other four address concerns which have been raised by a number of Senators over the years.

As you know, the Genocide Convention has been awaiting Senate advice and consent to ratification for 36 years. The extraordinary length of time the Convention has been before the Senate testifies to the strength of the opposition. This opposition has been based on several concerns. Together with Senator HELMS and others, I have been working to find a way to address these concerns. I believe the eight provisos we will offer do this.

A number of other Senators share this view as well. For example, Senator HATCH, who helped in the drafting of the eight provisos, has indicated that he will support Senate consent to ratification if the eight are included. Others have informally indicated the same.

If the Foreign Relations Committee approves these eight provisos, I pledge to work diligently to bring the Convention before the Senate for its consent. I will urge the Majority Leader to schedule the Convention for debate and will work with other Senators to establish a time for voting on final passage.

Conversely, if the Foreign Relations Committee does not adopt the eight provisos, I see little prospect of success for the Convention during this Congress. Speaking for myself, I would not be prepared to ask the Majority Leader to take up the Senate's valuable time for a matter which would clearly be the object of extended debate. Nor would I support Senate approval of the Convention without them.

In my judgment, this is the best opportunity the Senate will ever have to approve the Convention. President Reagan's endorsement is still fresh in the minds of many. Many of those who have opposed the Convention in the past have worked with me and with supporters of the Convention to develop an acceptable compromise. If this momentum is lost, I doubt it can ever be recaptured.

Thirty-six years of strong objections are not easily overcome. I have worked hard to find a way to respond to the serious and legitimate concerns which have been raised by critics of the Convention. I believe that this package does so and does so in a way that preserves all that is valuable in the Convention.

We have a unique opportunity to demonstrate that the Senate can cut through this long-standing problem and work its will on the Convention. This will require that Senators attempt to accommodate one another on difficult and deeply held viewpoints. I urge each Senator to do so.

I have enclosed a copy of the provisos which Senator HELMS and I will propose. I ask that you consider them carefully, and I invite you to work with me to advance this matter to its conclusion.

Sincerely,

RICHARD G. LUGAR,
Chairman.

Enclosure.

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the International Convention on the Prevention and Punishment of the Crime of Genocide, adopted unanimously by the General Assembly of the United Nations in Paris on December 9, 1948 (Executive O, Eighty-first Congress, first session), Provided that—

I. The Senate's advice and consent is subject to the following reservations:

(1) That with reference to Article IX of the Convention, before any dispute to which the United States is a party may be submitted to the jurisdiction of the International Court of Justice under this article, the specific consent of the United States is required in each case.

(2) That nothing in the Convention requires or authorizes legislation or other action by the United States of America prohibited by the Constitution of the United States as determined by the United States.

II. The Senate's advice and consent is subject to the following understandings, which shall apply to the obligations of the United States under this Convention:

(1) That the term "intent to destroy, in whole or in part, a national, ethnical, racial, or religious group as such" appearing in Article II means the specific intent to destroy, in whole or in substantial part, a national, ethnical, racial, or religious group as such by the acts specified in Article II.

(2) That the term "mental harm" in Article II(b) means permanent impairment of mental faculties through drugs, torture, or similar techniques.

(3) The pledge to grant extradition in accordance with a state's laws and treaties in force found in Article VII extends only to acts which could be punished under the laws of both the requesting and the requested state and nothing in Article VI affects the right of any state to bring to trial before its own tribunals any of its nationals for acts committed outside a state.

(4) That acts in the course of armed conflicts committed without the specific intent required by Article II are not sufficient to constitute genocide as defined by this Convention.

(5) That with regard to the reference to an international penal tribunal in Article VI of the Convention, the United States declares that it reserves the right to effect its participation in any such tribunal by a treaty entered into specifically for that purpose with the advice and consent of the Senate.

III. The Senate's advice and consent is subject to the following declaration:

That the President will not deposit the instrument of ratification until after the implementing legislation referred to in Article V has been enacted.

Mr. BONKER. Mr. Speaker, I have no further requests for time on this side.

Mr. SOLOMON. Mr. Speaker, I yield my remaining 1 minute to my colleague, the distinguished gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Speaker, all too often we come to the well to deplore incidences of repression, terror, persecution, and atrocities around the world. We speak of our commitment to human rights and to the relief of human suffering. We speak out with the belief that the United States constitutes the ideal of moral right which gives it a preeminent claim to leadership of the free world.

We are fortunate enough to live in a country whose constitution and laws guarantee basic freedoms. Our Declaration of Independence plainly expresses our belief in the inalienable rights of life, liberty, and the pursuit of happiness. And yet, we have seen in our country's past, instances where we did not live up to the promise of our ideals.

Often these deviations from our professed values were based on racial fears and hatred. The institution of slavery was allowed to prosper notwithstanding our Declaration of Independence and Bill of Rights. In our more recent past, we allowed our prejudices and fears once again to override our beliefs. We endorsed a policy which allowed the imprisonment of persons of Japanese heritage during World War II, which, with the benefit of hindsight we consider a blot on our record. Perhaps the strongest example we can cite is our treatment of native Americans. Certainly we hope that we will never again depart from our ideals and doctrine and undermine our credibility as defender of human rights around the world. We must take a firm position and vigorously support the convention on genocide.

We are speaking here today of a fundamental statement of human morality. Our Government played a leading role in drafting the convention on the prevention and punishment of the crime of genocide and advocating its adoption. President Reagan has pledged his support for the ratification and his intention to use the convention in our Government's efforts to expand human freedom and fight human rights abuses around the world.

I believe, as Elie Wiesel so eloquently put it, "in the moral principle of accountability for those governments that take rather than protect the lives of their citizens." Our failure to ratify this treaty makes us a ready target for those who would disparage American commitment and credibility in the area of human rights. If we are truly committed to the ideals embodied in our Constitution, can we do no less than to ratify and make ourselves a party to the genocide convention?

● Mr. HOYER. Mr. Speaker, I rise in strong support of House Resolution 166 which urges the Senate to ratify an important international human rights treaty, the Convention on Genocide. Accepted by 96 nations the Genocide Convention has awaited U.S.

action for over 35 years. Drafted in 1948 the Genocide Convention prohibits the systematic killing of racial, ethnic, or religious groups. Clearly, the treaty reflects the national values and moral concerns of the United States. Its provisions are compatible with U.S. sentiments and constitutional guarantees.

As cochairman of the Commission of Security and Cooperation in Europe, I am particularly concerned with the implications if the Senate fails to ratify the Genocide Convention. As the United States urges other nations, particularly at the ongoing Ottawa human rights experts' meeting, to respect certain standards of human rights, it is important that certain international agreements be ratified by the United States. Failure of the United States to ratify certain human rights treaties is a major criticism without substance, nonetheless it is a source of embarrassment. It is not a question of whether the United States subscribes to the Genocide Convention, for it most assuredly does. Failure to ratify it merely provides ammunition to the Soviet Government for attack. Ratification would strengthen the U.S. position in urging compliance by the Soviets and East European nations with certain other international accords, notably the Helsinki Final Act.

Mr. Speaker, I urge my colleagues to pass this measure and thank my colleague, Congressman MEL LEVINE, for bringing this important resolution to the floor today for our consideration.●

Mr. SOLOMON. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Washington [Mr. BONKER] that the House suspend the rules and agree to the resolution, House Resolution 166, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BONKER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 166, the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will now put the question on the motion on which further proceedings were postponed earlier today, in the order in which that motion was entertained.

The votes will be taken on H.R. 2475 by the yeas and nays.

SIMPLIFICATION OF IMPUTED INTEREST RULES

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2475.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI] that the House suspend the rules and pass the bill, H.R. 2475, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 425, nays 0, answered "present" 1, not voting 8, as follows:

[Roll No. 119]

YEAS—425

Ackerman	Carney	Edgar
Addabbo	Carper	Edwards (CA)
Akaka	Carr	Edwards (OK)
Alexander	Chandler	Emerson
Anderson	Chappell	English
Andrews	Chappie	Erdreich
Annunzio	Cheney	Evans (IA)
Anthony	Clay	Evans (IL)
Applegate	Clinger	Fascell
Archer	Coats	Fawell
Armey	Cobey	Fazio
Aspin	Coble	Feighan
Atkins	Coelho	Fiedler
AuCoin	Coleman (MO)	Fields
Badham	Coleman (TX)	Fish
Barnard	Collins	Flippo
Barnes	Combest	Florio
Bartlett	Conte	Foglietta
Barton	Conyers	Foley
Bateman	Cooper	Ford (MI)
Bates	Coughlin	Ford (TN)
Bedell	Courter	Fowler
Beilenson	Coyne	Frank
Bennett	Craig	Franklin
Bentley	Crane	Frenzel
Bereuter	Crockett	Frost
Berman	Daniel	Fuqua
Bevill	Dannemeyer	Gallo
Biaggi	Darden	Garcia
Billirakis	Daschle	Gaydos
Bliley	Daub	Gejdenson
Boehlert	Davis	Gekas
Boggs	de la Garza	Gephardt
Boland	DeLay	Gibbons
Boner (TN)	Dellums	Gilman
Bonior (MI)	Derrick	Gingrich
Bonker	DeWine	Glickman
Borski	Dickinson	Gonzalez
Bosco	Dicks	Goodling
Boucher	Dingell	Gordon
Boulter	DioGuardi	Gradison
Boxer	Dixon	Gray (IL)
Breaux	Donnelly	Gray (PA)
Brooks	Dorgan (ND)	Green
Broomfield	Dornan (CA)	Gregg
Brown (CA)	Dowdy	Grotberg
Brown (CO)	Downey	Guarini
Broyhill	Dreier	Gunderson
Bruce	Duncan	Hall (OH)
Bryant	Durbin	Hall, Ralph
Burton (CA)	Dwyer	Hamilton
Burton (IN)	Dymally	Hammerschmidt
Bustamante	Dyson	Hansen
Byron	Early	Hartnett
Callahan	Eckart (OH)	Hatcher
Campbell	Eckert (NY)	Hawkins
Hayes	Meyers	Shaw
Hefner	Mica	Shelby
Heftel	Michel	Shumway
Hendon	Mikulski	Shuster
Henry	Miller (CA)	Sikorski
Hertel	Miller (OH)	Siljander
Hiler	Miller (WA)	Sisisky
Hillis	Mineta	Skeen
Hopkins	Mitchell	Skelton
Horton	Moakley	Slattery
Howard	Molinari	Slaughter
Hoyer	Mollohan	Smith (FL)
Hubbard	Monson	Smith (IA)
Huckaby	Montgomery	Smith (NE)
Hughes	Moody	Smith (NH)
Hunter	Moore	Smith (NJ)
Hutto	Moorhead	Smith, Denny
Hyde	Morrison (CT)	Smith, Robert
Ireland	Morrison (WA)	Snowe
Jacobs	Mrazek	Snyder
Jeffords	Murphy	Solarz
Jenkins	Murtha	Solomon
Johnson	Myers	Spence
Jones (OK)	Natcher	Spratt
Jones (TN)	Neal	St Germain
Kanjorski	Nelson	Staggers
Kaptur	Nichols	Stallings
Kasich	Nielson	Stangeland
Kastenmeier	Nowak	Stark
Kemp	O'Brien	Stenholm
Kennelly	Oakar	Stokes
Kildee	Oberstar	Strang
Kindness	Obey	Stratton
Kleczka	Olin	Studds
Kolbe	Ortiz	Stump
Kolter	Owens	Sundquist
Kostmayer	Oxley	Sweeney
Kramer	Packard	Swift
LaFalce	Panetta	Swindall
Lagomarsino	Parris	Synar
Lantos	Pashayan	Tallon
Latta	Pease	Tauke
Leach (IA)	Penny	Tauzin
Leath (TX)	Pepper	Taylor
Lehman (CA)	Perkins	Thomas (CA)
Lehman (FL)	Petri	Thomas (GA)
Leland	Pickle	Torres
Lent	Porter	Torricelli
Levin (MI)	Price	Towns
Levine (CA)	Pursell	Traficant
Lewis (FL)	Quillen	Traxler
Lightfoot	Rahall	Udall
Lipinski	Ray	Valentine
Livingston	Regula	Vander Jagt
Lloyd	Reid	Vento
Loeffler	Richardson	Visclosky
Long	Ridge	Volkmer
Lott	Rinaldo	Vucanovich
Lowery (CA)	Ritter	Walgren
Lujan	Roberts	Walker
Luken	Robinson	Watkins
Lundine	Rodino	Waxman
Lungren	Roe	Weaver
Mack	Roemer	Weber
MacKay	Rogers	Weiss
Madigan	Rose	Wheat
Manton	Rostenkowski	Whitehurst
Markey	Roth	Whitley
Marlenee	Roukema	Whittaker
Martin (IL)	Rowland (CT)	Whitten
Martin (NY)	Rowland (GA)	Williams
Martinez	Roybal	Wilson
Matsui	Russo	Wirth
Mavroules	Sabo	Wise
Mazzoli	Savage	Wolf
McCain	Saxton	Wolpe
McCandless	Schaefer	Wortley
McCloskey	Scheuer	Wright
McCollum	Schneider	Wyden
McCurdy	Schroeder	Wylie
McDade	Schuette	Yates
McEwen	Schulze	Young (AK)
McHugh	Schumer	Young (FL)
McKernan	Seiberling	Young (MO)
McKinney	Sensenbrenner	Zschau
McMillan	Sharp	

NAYS—0

ANSWERED "PRESENT"—1

Lowry (WA)

NOT VOTING—8

Hall, Sam	Lewis (CA)	Rudd
Holt	McGrath	Yatron
Jones (NC)	Rangel	

□ 1450

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1500

ANTI-APARTHEID ACT OF 1985

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 174 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 174

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs and one hour to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Foreign Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and each section of said substitute shall be considered as having been read. After the bill has been considered for amendment in its entirety and all other amendments have been disposed of, it shall be in order to consider the following amendments in the nature of a substitute in the following order:

(1) the amendment printed in the Congressional Record of May 16, 1985, by, and if offered by, Representative Siljander of Michigan;

(2) the amendment printed in the Congressional Record of May 16, 1985, by, and if offered by, Representative Gunderson of Wisconsin; and

(3) the amendment printed in the Congressional Record of May 16, 1985, by, and if offered by, Representative Dellums of California.

All such amendments shall be in order even if a previous amendment in the nature of a substitute has been adopted, and all points of order against said amendments for failure to comply with the provisions of clause 7 of rule XVI are hereby waived. Such amendments shall not be subject to amendment but shall each be debatable for not to exceed one hour, to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto. After the disposition of such amendments, no further amendment to the bill shall be in order, and only the last such amendment in the nature of a substitute which is adopted shall be considered as having been finally adopted and reported back to the House. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Missouri [Mr. TAYLOR], and pending that I yield myself such time as I may consume.

□ 1510

Mr. Speaker, House Resolution 174 is an open rule which provides for 2 hours of general debate. One hour of the general debate time will be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, and the other hour will be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance, and Urban Affairs. The rule makes in order the Foreign Affairs Committee substitute as an original bill for amendment, with each section to be considered as read.

House Resolution 174 also provides for the consideration of three substitutes after the bill has been considered for amendment in its entirety. The three substitutes made in order in this rule are those by, and if offered by, Representatives SILJANDER, GUNDERSON, and DELLUMS, and the substitutes must be offered in that sequence.

Mr. Speaker, because the rule makes more than one substitute in order, the rule contains what is sometimes referred to as a king-of-the-hill procedure. Without such a procedure, under the normal rules of the House adoption of an amendment in the nature of a substitute would preclude the offering of any further amendments to the bill. Under the king-of-the-hill procedure provided in this rule, each of the three substitutes can be offered, even if offered subsequent to passage of another substitute. Only the last substitute to be adopted will be reported back to the House.

The rule waives clause 7 of rule XVI, the germaneness rule, against the three amendments in the nature of a substitute specified in House Resolution 174. Each of the substitutes will be debatable for 1 hour, with the time being equally divided and controlled by the proponent and a member opposed to the substitute. The rule also stipulates that these substitutes must have been printed in the CONGRESSIONAL RECORD of May 16, 1985. Finally, Mr. Speaker, the rules provides one motion to recommit with or without instructions.

Mr. Speaker, H.R. 1460, the Anti-Apartheid Act of 1985, will institute a constructive set of prohibitions against various forms of trade between the United States and the Government of South Africa as long as the policy of apartheid remains in force in South Africa. As an original cosponsor of this bill, I believe it represents a viable and necessary alternative to the administration's failed policy of constructive engagement with the Government of South Africa.

The provisions of H.R. 1460 will be fully detailed by the members of the Foreign Affairs and Banking Committees. Generally, the bill includes a ban on new bank loans to the South African Government, except those made available for education, housing, or health facilities open to all races; a prohibition of sales of computers to the South African Government; a ban on new investment in South Africa; and a prohibition against purchases of gold coins minted or offered for sale by South Africa, including the 1-ounce gold Krugerrand.

H.R. 1460 was jointly referred to three House committees: the Committee on Foreign Affairs, the Committee on Banking, Finance and Urban Affairs, and the Committee on Rules. The Foreign Affairs Committee reported H.R. 1460 to the House on May 9, 1985; and by letter to the chairman of the Rules Committee, the Banking, Finance and Urban Affairs Committee indicated their willingness to proceed with consideration of a rule for the bill in the absence of any markup in their committee. The bill was considered by the Rules Committee on May 16, 1985, and favorably reported without amendment.

The primary basis for jurisdiction of H.R. 1460 by the Rules Committee relates to procedures specified in section 6 of the bill for consideration of certain joint resolutions provided for under the bill. Pursuant to clause 1(q)(1) of rule X, the Committee on Rules is vested with responsibility for the "rules and joint rules . . . and the order of business of the House." The committee also receives referral of all bills and resolutions changing or affecting the rules of the House. The provisions in section 6 of H.R. 1460 have the effect of altering the rules of the House and therefore fall within the jurisdiction of the Rules Committee.

Section 6 of H.R. 1460 provides procedures by which the prohibitions against investments in South Africa and importation of gold coins may be waived. Specifically, the provisions of

sections 4 and 5 of H.R. 1460 may be waived if the President determines that one or more of the eight conditions enumerated in section 6 of the bill are satisfied. The President's determination would have to be submitted to Congress, and a joint resolution approving the determination would have to be passed by Congress before the waiver would take effect.

By requiring a statutory affirmation of the President's determination, these provisions withstand the constitutional objections raised against legislative veto provisions in the INS versus Chadha Supreme Court decision. Section 6, however, also provides procedures for expedited consideration of any joint resolution approving a Presidential determination of compliance with the provisions of the bill by the Government of South Africa.

Mr. Speaker, the Rules Committee is greatly concerned over the proliferation and variety of expedited procedures being incorporated into legislation, often as a part of legislative veto provisions. Section 6(c)(1) of H.R. 1460 provides that joint resolutions affirming such a Presidential determination would be subject to a referral to the appropriate committees of the House and Senate. This is a general restatement of the rules of the House, and therefore not an issue of concern to the Rules Committee.

Section 6(c)(2) provides that a committee to which a joint resolution has been referred is discharged from further consideration of the matter if the measure is not reported at the end of 30 days. Mr. Speaker, while the Rules Committee did not propose amendments to this section of the bill, I would note that it is the view of the committee that the normal rules of the House provide adequate procedures for action on important and time-sensitive matters.

Section 6(c)(3) of the bill seeks to provide for expedited consideration of the joint resolution on the House floor. The language of section 6(c)(3) recommends that the Rules Committee report a resolution providing for immediate consideration of joint resolutions required by the bill. This represents a departure from the standard provision of rules providing for consideration of the bill at any time after the adoption of the resolution, subject to the Speaker's discretion to schedule such business.

Mr. Speaker, the Rules Committee has asserted jurisdiction over this legislation, and reported the same, for the purpose of expressing the Rules Committee's continuing concern over the cumulative effect of expedited procedures, and the potential danger which indiscriminate use of such procedures poses to the normal legislative process. The committee therefore intends to be active in reviewing the use of expedited procedures which circumvent the normal rules of the House, and I would urge my colleagues to refer to the Rules Committee report to accompany H.R. 1460 for a detailed discussion of the issues we believe must be addressed. Let me add, Mr. Speaker, that the Rules Committee does appreciate the cooperation and assistance of the Foreign Affairs Committee in working out an acceptable agreement on this language for this particular bill.

As a final comment on this issue, Mr. Speaker, and in light of the comments I have offered on behalf of the Committee on Rules, I would like to impress upon my colleagues that the Rules Committee does not intend, in reporting this rule for consideration by the House, to establish any precedent in connection with provisions providing for expedited procedures for consideration of measures in the House. Rather, as I have already noted, it is the intention of the Rules Committee to give greater attention to these provisions in the future.

Mr. Speaker, House Resolution 174 is an open rule that will provide for full and open consideration of H.R. 1460. All Members will have an opportunity to offer amendments under the 5-minute rule, and the three substitutes to the bill will be offered at the conclusion of the amending process. I urge adoption of the rule and support for H.R. 1460.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 174 is an open rule under which the House will consider legislation imposing economic sanctions on South Africa.

The rule is designed to ease consideration by offering the House a range of choices on whether, and how, the United States should use our laws to influence the Republic of South Africa to end to its policy of apartheid.

The rule also permits a open process, under the 5-minute rule, for germane amendments to the bill, H.R. 1460, as reported from the Committee on Foreign Affairs.

The germaneness waiver allowed under the rule applies only to three specific substitutes that were printed in the RECORD of May 16.

Mr. Speaker, the essence of this rule is this: If the Congress is going to interject itself into this area of our foreign policy, at least we will have three specific options to consider in addition to the committee version.

The three substitutes made in order by this rule are ones submitted by the gentleman from Michigan [Mr. SILJANDER]; the gentleman from Wisconsin [Mr. GUNDERSON]; and the gentleman from California [Mr. DELLUMS].

The rule sets up a fairly simple parliamentary procedure. First, there will be 2 hours of general debate. The bill reported from the Committee on Foreign Affairs will be the original text for the purpose of amendments, and it is open to any germane amendments under the 5-minute rule.

After all germane amendments have been disposed of, the three substitutes will be taken up in order. Each of these amendments has been given a waiver of clause 7 of rule 16, because they are not germane to the reported bill.

Mr. Speaker, each of the three substitutes will be given 1 hour of debate and they will not be subject to amendment. The rule provides what some refer to as a king-of-the-hill approach for the three substitutes, that is, the last one to be adopted will be the one reported back to the House.

The rule guarantees the right of any Member to demand a separate vote on any amendment adopted in committee. This right extends to any germane amendments that may have been adopted to the foreign affairs bill, or the prevailing substitute should one of the three be adopted.

Last, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, the rule is not nearly as controversial as the legislation it makes in order. It is fair to the Members who asked for permission to submit alternatives to the bill reported from the Committee on Foreign Affairs. It is fair to all other Members, since it allows for as their germane amendments as well.

Mr. Speaker, there is no reason for me to describe in detail the import and export bans and the economic sanctions imposed by this legislation on the American people and on U.S. corporations doing business with the Republic of South Africa.

Two of the sanctions suggested by the Foreign Affairs Committee can be waived by the President, if certain social conditions are met. Since congressional approval of these Presidential waivers would be necessary, congressional delay would seem to be something we want to avoid.

The bill requires approval of waivers through passage of a joint resolution. It also provides for automatic discharge from committee, if such a resolution is not reported after 30 days. Up to that point, the process is similar to other legislative approval mechanisms.

Mr. Speaker, once a resolution is discharged from a committee of jurisdiction, it ought to come directly to the floor as privileged.

The Foreign Affairs Committee has concocted a process for these resolutions that sidetracks them into the hands of the Committee on Rules, because such a resolution would need a special rule providing for floor consideration.

Mr. Speaker, this bill interjects the Rules Committee into what otherwise would be an expedited procedure, and

I can see no good reason for doing that.

Mr. Speaker, while I do not oppose this rule, the bill it makes in order should be defeated on procedural grounds alone.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BROOMFIELD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 414, nays 4, not voting 16, as follows:

[Roll No. 120]

YEAS—414

Ackerman	Carney	Edgar
Addabbo	Carper	Edwards (CA)
Akaka	Carr	Edwards (OK)
Alexander	Chandler	Emerson
Anderson	Chappell	English
Andrews	Chappie	Erdreich
Annunzio	Cheney	Evans (IA)
Anthony	Clay	Evans (IL)
Applegate	Clinger	Fascell
Archer	Coats	Fawell
Armey	Cobey	Fazio
Atkins	Coelho	Feighan
AuCoin	Coleman (MO)	Fiedler
Badham	Coleman (TX)	Fields
Barnard	Collins	Fish
Barnes	Combest	Flippo
Bartlett	Conte	Florio
Barton	Conyers	Foglietta
Bateman	Cooper	Foley
Bates	Coughlin	Ford (MI)
Bedell	Courter	Ford (TN)
Beilenson	Coyne	Fowler
Bennett	Craig	Frank
Bentley	Crockett	Franklin
Bereuter	Daniel	Frenzel
Berman	Dannemeyer	Frost
Bevill	Darden	Fuqua
Biaggi	Daschle	Gallo
Bilirakis	Daub	Garcia
Bliley	Davis	Gaydos
Boehlert	de la Garza	Gejdenson
Boggs	DeLay	Gekas
Boland	Dellums	Gephardt
Boner (TN)	Derrick	Gibbons
Bonior (MI)	DeWine	Gilman
Bonker	Dickinson	Gingrich
Borski	Dicks	Glickman
Bosco	Dingell	Gonzalez
Boucher	DioGuardi	Goodling
Boulter	Dixon	Gordon
Boxer	Donnelly	Gradison
Breaux	Dorgan (ND)	Gray (IL)
Brooks	Dornan (CA)	Gray (PA)
Broomfield	Dowdy	Green
Brown (CA)	Downey	Gregg
Brown (CO)	Dreier	Grotberg
Broyhill	Duncan	Guarini
Bruce	Durbin	Gunderson
Bryant	Dwyer	Hall (OH)
Burton (CA)	Dymally	Hall, Ralph
Bustamante	Dyson	Hamilton
Byron	Early	Hammerschmidt
Callahan	Eckart (OH)	Hansen
Campbell	Eckert (NY)	Hartnett
Hatcher	McMillan	Sensenbrenner
Hawkins	Meyers	Sharp
Hayes	Mica	Shaw
Hefner	Michel	Shelby
Heftel	Mikulski	Shumway
Hendon	Miller (CA)	Shuster
Henry	Miller (OH)	Sikorski
Hertel	Miller (WA)	Siljander
Hiler	Mineta	Sisisky
Hillis	Mitchell	Skeen
Hopkins	Moakley	Skelton
Horton	Molinari	Slattery
Howard	Mollohan	Slaughter
Hoyer	Monson	Smith (FL)
Hubbard	Montgomery	Smith (IA)
Huckaby	Moody	Smith (NE)
Hughes	Moore	Smith (NH)
Hunter	Moorhead	Smith (NJ)
Hutto	Morrison (CT)	Smith, Denny
Ireland	Morrison (WA)	Smith, Robert
Jacobs	Mrazek	Snowe
Jeffords	Murphy	Snyder
Jenkins	Murtha	Solarz
Johnson	Myers	Solomon
Jones (OK)	Natcher	Spence
Jones (TN)	Neal	Spratt
Kanjorski	Nelson	St Germain
Kaptur	Nichols	Staggers
Kasich	Nielson	Stallings
Kastenmeier	Nowak	Stangeland
Kemp	O'Brien	Stark
Kennelly	Oakar	Stenholm
Kildee	Oberstar	Stokes
Kleczka	Obey	Stratton
Kolbe	Olin	Studds
Kolter	Ortiz	Sundquist
Kostmayer	Owens	Sweeney
Kramer	Oxley	Swift
LaFalce	Packard	Swindall
Lagomarsino	Panetta	Synar
Lantos	Parris	Tallon
Latta	Pashayan	Tauke
Leach (IA)	Pease	Tauzin
Leath (TX)	Penny	Taylor
Lehman (CA)	Pepper	Thomas (CA)
Lehman (FL)	Perkins	Thomas (GA)
Leland	Petri	Torres
Lent	Pickle	Torricelli
Levin (MI)	Porter	Towns
Levine (CA)	Price	Traficant
Lewis (FL)	Pursell	Traxler
Lightfoot	Quillen	Udall
Lipinski	Rahall	Valentine
Livingston	Ray	Vander Jagt
Lloyd	Regula	Vento
Loeffler	Reid	Visclosky
Long	Richardson	Volkmer
Lott	Ridge	Vucanovich
Lowery (CA)	Rinaldo	Walgren
Lowry (WA)	Ritter	Walker
Lujan	Roberts	Watkins
Luken	Robinson	Waxman
Lundine	Rodino	Weaver
Lungren	Roe	Weber
Mack	Roemer	Weiss
MacKay	Rogers	Wheat
Madigan	Rose	Whitehurst
Manton	Rostenkowski	Whitley
Markey	Roth	Whittaker
Marlenee	Roukema	Whitten
Martin (IL)	Rowland (CT)	Wilson
Martinez	Rowland (GA)	Wirth
Matsui	Roybal	Wise
Mavroules	Russo	Wolf
Mazzoli	Sabo	Wolpe
McCandless	Savage	Wortley
McCloskey	Saxton	Wright
McCollum	Schaefer	Wyden
McCurdy	Scheuer	Wylie
McDade	Schneider	Yates
McEwen	Schroeder	Young (AK)
McHugh	Schulze	Young (FL)
McKernan	Schumer	Young (MO)
McKinney	Seiberling	Zschau

NAYS—4

Burton (IN)	Kindness
Crane	Stump

NOT VOTING—16

Aspin	Lewis (CA)	Schuette
Coble	Martin (NY)	Strang
Hall, Sam	McCain	Williams
Holt	McGrath	Yatron
Hyde	Rangel	
Jones (NC)	Rudd	

□ 1530

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 174 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1460.

□ 1537

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 1460, to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes, with Mr. DE LA GARZA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the first reading of the bill is dispensed with.

Under the rule, the gentleman from Michigan [Mr. WOLPE] will be recognized for 30 minutes, the gentleman from Michigan [Mr. SILJANDER] will be recognized for 30 minutes, the gentleman from Maryland [Mr. MITCHELL] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. WOLPE].

Mr. WOLPE. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, the legislation that is before us today, the Anti-Apartheid Act of 1985, is the product of the effort of many people, and enjoys very broad bipartisan cosponsorship and support. But I want to pay particular tribute to certain individuals who have played an especially critical role in shaping and moving this bill. I am thinking of such Members as my distinguished chairman, the gentleman from Florida, Mr. FASCELL; the distinguished gentleman from Maryland, Mr. MITCHELL; our distinguished colleague from the District of Columbia, Mr. FAUNTROY; the gentleman from New York and the previous chairman of the Subcommittee on Africa, Mr. SOLARZ; the chairman of the Congressional Black Caucus, Mr. LELAND; my colleagues from Michigan, Mr. CROCKETT and Mr. CONYERS; our distinguished colleagues from California, Mr. DELLUMS and Mr. BERMAN; the gentleman from Louisiana, Mr. ROEMER; and the gentleman from New York, Mr. RANGEL. But one person deserves special mention, and that is the principal sponsor of the Anti-Apartheid Act of 1985, our colleague from Pennsylvania, Mr. GRAY. It was Mr. GRAY who understood long before most of us that the Congress was

ready to move beyond token measures to take decisive action against apartheid. It is his vision and determination that have been critical at every point of this legislative process. Finally, may I also express my personal appreciation to the staff of the House Subcommittee on Africa—to Anne Holloway, Steve Weissman, Salih Booker, and Mickey Harmon. No chairman could be better served by a more competent or a more dedicated staff. Mr. Chairman, the Anti-Apartheid Act of 1985 offers this Congress an historic opportunity to redirect American policy toward the apartheid regime of the Republic of South Africa in a way that will, at long last, be consistent with American values and American national interests. We have an opportunity, through this legislation, both to advance the struggle for political freedom for South Africa's disenfranchised and subjugated black majority, and to make clear—not only to South Africans but to the entire world—that America stands not with the oppressors but with those who are the victimized in South Africa. We will assert through the passage of this legislation, that the American people understand what their Government has temporarily forgotten: The struggle in South Africa is not between black and white, but between those who wish only to be free and those who would deny their freedom. And in this struggle for freedom, for liberation, for human dignity, America cannot and will not remain neutral. We will affirm through our passage of this legislation that Americans understand that the struggle for freedom and justice in South Africa cannot be separated from the struggle for freedom and justice in the United States. The struggle against apartheid in South Africa—is part and parcel of the continuing struggle against racism in America.

When the Reagan administration came into office, it proclaimed that, as far as South Africa was concerned, it had a new and better idea. The goals of American foreign policy, we were told, remained the same: Pressing for an end to the system of institutionalized racism known as apartheid, and getting South Africa to remove itself from its illegal occupation of Namibia. Only the means of achieving these goals would change.

However it was intended, it is clear today that 4½ years of "constructive engagement" with South Africa has had some terribly destructive consequences—not only for the process of change in South Africa itself but for American interests as well. Not only has repression within South Africa sharply intensified, but South Africa remains in Namibia, in open defiance of the international community and of international law, and has engaged in a campaign of aggression and destabilization directed at almost all of its neighboring states. During the past 4 years South Africa has occupied Angola, it has launched brutal raids into Lesotho and Mozambique, it has supported insurgencies in Mozambique and Angola, it has attempted to overthrow the Government of the Seychelles, and it has sought to destabilize Zimbabwe.

This is what "constructive engagement" has wrought. And we should not be surprised by this disastrous turn of events. For what was signaled by the Reagan administration's "constructive engagement" policy is that the Afrikaaner regime would have a much freer hand to do what they will—both internally and in the region. The administration has made it clear to white and black South Africans alike that there would be no response from the American side, no cost imposed on the South African-American relationship—no matter how repressive the regime became or how much aggression it launched against its regional neighbors.

It is true that administration officials have continued to verbally condemn apartheid, and to call on South Africa to remove itself from Namibia. But against a backdrop of expanded commerical relationships and closer military and nuclear cooperation, such protests have sounded very hollow indeed. The harsh truth is that constructive engagement has led the entire world to believe that the United States has decided to accommodate itself to apartheid. Constructive engagement, rather than facilitating a process of nonviolent political change in South Africa, has had the perverse consequence of adding to the repression and to the violence. It has led the Afrikaaners to conclude that, with a few cosmetic changes here and there, they will be able to retain their economically critical links to the United States and the international community without altering the system of apartheid in any fundamental way. Is it any wonder that the Afrikaaner regime takes enormous satisfaction from constructive engagement, while the 85 percent of the South African population that is not white finds in American policy only disillusionment and despair?

There are still some apologies for the South African regime who continue to insist that things are changing for the better in South Africa, and that we need to remain patient and constructively engaged. Recent constitutional changes creating separate legislatures for the Asian and colored populations, and recent pledges to abolish the Mixed Marriages and Immortality Acts, are cited by administration spokesmen as evidence of fundamental change in South Africa. But what these claims ignore is that these recent initiatives are designed to strengthen, not weaken, the political structure of apartheid and white domination by making it more palatable domestically and internationally. While legal bans on interracial marriage and sex are to be removed, the Government has simultaneously reiterated that the pillars of the apartheid system: The Group Areas Act, the Separate Amenities Act, the Population Classification Act, and the separate Education Acts are all to be maintained.

What apologies for the South African regime conveniently ignore is that repression in South Africa continues unabated as does the economic impoverishment of the black population. The statistics are staggering:

Over 300 blacks have been killed since last September, largely by brutal police action in response to anti-apartheid protests;

In one recent episode, during a nonviolent funeral procession, at least 17 blacks were shot in the back by South African police;

In 1984 there were more detentions without charges under South African security laws—over 1,100—than in any year since the 1976-77 Soweto uprising;

In 1984, the Government renewed the national ban on outdoor meetings, expanded restrictions on indoor meetings, banned the nonviolent United Democratic Front and 28 other organizations from holding meetings in certain areas, and charged 17 UDF leaders—including 4 trade union leaders—with high treason;

In the last 4 months, over 21,000 workers have been fired for political or economic strikes. Many of these workers are being deported to their so-called homelands. And, according to the AFL-CIO, 21 labor leaders remain in detention.

Since 1960, 3.5 million blacks have been forcibly removed from their homes and deported to the homelands, and another 1.5 million are scheduled for further removal.

Between 1980 and 1982, arrests for pass law violations doubled to 206,000.

The announcment just a short while ago that the Kwandebele homeland will become independent in 1986 will bring to five the number of homelands designated by Pretoria that will have been brought to nominal independence since 1976. Thus, the number of Africans deprived of their South African citizenship will rise from 8 million today to more than 9 million—over 40 percent of the black African population.

As for the claims for economic and social progress in South Africa, let it be noted that in the last 20 years economic and social conditions of the vast majority of South African blacks have drastically worsened. According to the Carnegie Foundation's ongoing enquiry:

The number made destitute by landlessness and unemployment rose from 250,000 to 1.43 million between 1960 and 1980;

The number living below a very minimal poverty line but having some income increased from 4.9 to 8.9 million during these years;

Fully one-fourth of all black women in South Africa live apart from their husbands because of influx control regulations;

The average per capita income of the relatively better-off urban blacks is still only 18 pecent of that of whites; and

The Government spends eight times as much per capita on the education of white students as it does on the education of black students.

Mr. Chairman, it is against this backdrop that today's debate on the Antiapartheid Act of 1985 takes place. Let us understand clearly what apartheid represents. Let us resist the temptation to see progress where there is none, to substitute the wish for the reality. Who among us would give up our place in this world to live in that of South Africa if our skins were black? Who among us would wish to submit to the daily indignity of carrying a piece of paper, bearable on demand, that controls every aspect of our lives? Who among us would be content to see our families separated from us by law in order to satisfy draconian rules of economic supply and demand? Who among us would tolerate almost total impoverishment when around us a tiny minority possessed all political rights and an abundance of material wealth as a consequence of our servitude? Who among us would be willing to live and exist in such an inhuman environment? Finally, who amongst us is comfortable with the knowledge that much of the world today sees the United States as an accomplice to apartheid?

Mr. Chairman, today we begin the important process of disassociating ourselves from the horrendous apartheid regime of South Afirca. Passage of the Antiapartheid Act of 1985 will send a powerful message to that regime that the American people will no longer tolerate official U.S. Government acquiescence to apartheid. We will no longer extend legitimacy to a government that forces its own people into an exile within their own country. Rhetoric can no longer suffice in the face of such grave injustice and gross violation of state authority against a people who merely seek what we all seek—equal political, economic and social rights before the law. American national interests, together with the deeply held commitments to social justice and political freedom that define what it means to be an American, compel us to legislate a response that will matter. This is our charge today, and our witness as Americans of diverse faiths, beliefs and racial backgrounds who care about the future of an interdependent world.

□ 1540

Mr. WEISS. Mr. Chairman, will the gentleman yield to me?

Mr. WOLPE. I yield to the gentleman from New York.

Mr. WEISS. I thank the distinguished chairman of the Subcommittee on Africa for yielding to me.

I want to commend him on his statement and I am proud to join with him in supporting this legislation.

Mr. Chairman, I rise today to add my voice once again to the growing chorus of Americans across the country—many of them Members of this body—who have spoken out in one form or another against the continuing violence and oppression of apartheid in South Africa.

The list of transgressions committed by the South African Government against blacks is lengthly and shameful. But as Elie Wiesel has pointed out, the most dreadful aspect of South Africa's racial laws is that they are the law. The law in South Africa is unlawful. Wiesel said, "When the law itself becomes criminal, its authors are doubly criminal because they deprive their victims of the basic right granted to all human beings: recourse to justice." Apartheid is the codification of injustice and deliberate disregard for human rights.

Recently, the South African Government has asserted that changes are occurring that will move the country closer to a just society. But these changes are merely cosmetic and have been accompanied by an escalation in violence and repression of blacks. They have done nothing to change the agony and despair of being a black South African.

More than 250 blacks have been killed and nearly 1,000 injured at the hands of the South African police and military since August 1984. About 3,000 have been detained since last August, many of them children and teenagers. More than 200 are still being held.

Meanwhile, the Reagan administration presses on with its wornout policy of constructive engagement—a policy that has proven too patient and too accommodating to effect any positive changes in South Africa's racism; a policy which is an embarrassment to the United States. As Randall Robinson, outspoken critic of apartheid and leader of the Free South Africa Movement, has said, "constructive engagement cannot be a policy option to any American administration which accepts the right of black South Africa to full enfranchisement and self-determination."

In short, constructive engagement has failed. It amounts to collaboration with racial supremacy and oppression. It is in part because of the failure of constructive engagement that the sanctions in the Anti-Apartheid Act must become law.

The United States, as a democracy and as the most affluent and powerful nation in the world, has a moral responsibility toward South African blacks to do everything possible to alleviate the injustice of their lives.

When enacted, these sanctions will clearly demonstrate to the South African Government and to South African blacks that the United States is no longer neutral, that we expect political enfranchisement and respect for the human rights of all South Africans.

The sanctions in H.R. 1460 prohibit new investment by U.S. firms doing business in South Africa, ban new bank loans to the government, prohibit the sale of computers that help the government enforce apartheid controls, and ban the sale of South African gold Krugerrands.

South Africa depends heavily on foreign investments, bank loans, and the sale of Krugerrands for its economic security. John Vorster, a former South African Prime Minister, said, "Each trade agreement, each bank loan, each new investment is another brick in the wall of our continued existence." The prohibitions in H.R. 1460 will shake the foundations of this wall. Through economic sanctions we have the hope of gaining the necessary leverage to force negotiations between Pretoria and black South African leadership to head off full-scale violence and bloodshed.

The time to move against apartheid is now. The vehicle is the Anti-Apartheid Act of 1985. The House has passed virtually this entire bill in the last Congress as amendments to other legislative measures. We have the opportunity today to vote for the separate amendments shaped into one self-standing bill. I urge my colleagues to give their overwhelming support to H.R. 1460 as a demonstration of the will of America to topple the wall of apartheid.

Mr. ADDABBO. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I yield to the gentleman from New York.

Mr. ADDABBO. Mr. Chairman, I would like to add my voice to those of my colleagues in condemnation of the system of apartheid that now exists in South Africa and in full support of this legislation—I commend the gentleman for Michigan [Mr. WOLPE], and the gentleman from Maryland [Mr. MITCHELL] for bringing up this important legislation.

It has long been my contention that the greatest failing of American foreign policy in the post-World War II period, has been our shortsighted position of supporting any government, no

matter how repressive, as long as it says it is anti-Communist.

Of course our primary foreign policy objective must be the containment of communism and stopping the spread of Soviet influence. But for too long our policies have had precisely the opposite effect.

Once and for all it is time for this country to take its head out of the sand and recognize that the policy of constructive engagement has failed. Our efforts at friendly persuasion have not produced one single reform in that abhorrent system worth mentioning. In fact it is difficult to open a newspaper or turn on the television without seeing evidence that the regime has become bolder in its racist policies.

It is time for us to declare that apartheid is inimical to everything this country stands for. We have learned from bitter experience what can result when we refuse to face up to evil that exists around us. The blood of innocent people has already begun to flow in South Africa. I call on the President and the Congress to act now before even one more drop is spilled.

Mr. WOLPE. Mr. Chairman, I reserve the balance of my time.

Mr. SILJANDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, not too long ago, I stood in this well and engaged in our first dealing with the apartheid issue. The amendment I offered then was to make mandatory the Sullivan principles for our own Embassy in South Africa.

Mr. Chairman, I am happy to report that under unanimous consent, the House did adopt that amendment. However, that is just a beginning of a long-term, protracted engagement to force the Government of South Africa to change their vicious policy of apartheid in their country. The system of apartheid separates workers from their families, it denies democratic rule to the legitimate majority, it consigns many to poverty, it denies blacks freedom of internal travel, provides for forcible removal of people from their homes, and basically denies human rights to the majority.

This, in my opinion, Mr. Chairman, damages the reputation of the Republic of South Africa and helps contribute to the instability of the entire region. Apartheid runneth against the principles of civilized nations.

It debases human dignity and is obviously repugnant to U.S. values. Our policy must be to oppose vehemently the apartheid system in South Africa, especially through peaceful diplomatic means and, if necessary, through enactment of appropriate laws.

When I visited South Africa, I engaged in conversation with many of the black and white leaders of that country. It is incredible for us to think in America, where we enjoy such wonderful freedoms of travel, speech, congregation, organization, that in that country, if you happen to be black, you are required under their pass laws to hold an internal passport of sorts and are required, in order to travel to certain cities within that country, a stamp by the government, approval just for mobility between one community and another.

There is also a policy that attempts to set aside 20 percent of the land for homeland for 80 percent of the majority, and 20 percent minority would use 80 percent of the land. The blacks oppose this homeland policy, and so should the Congress.

The Immorality Act suggests that one cannot have relationships with the opposite race. And the Mixed Marriages Act would suggest that a black and a white cannot marry. These laws are ludicrous and need to be changed. If you happen to be black, a black can be detained in any place at any time for any period of time from 1 hour to 3 or 4 months without communicating with that person's spouse or family, and oftentimes they do not know their whereabouts.

Is it a problem? Eighteen million blacks have been arrested for pass law violations since its inception. There are many other problems in South Africa. That just highlights what I consider, Mr. Chairman, to be some of the central problems. Also, in talking with the white government majority, in the government leadership, I did notice something interesting, however, and if there is any glimmer of optimism or hope, as small as it might be, I think at least in 1985, the static conditions are beginning to shift and change a bit, a little bit.

□ 1550

President Botha said that "blacks should be involved in the political process." Well, so what? But this statement is a significant change of mind and philosophy compared to what it was only a decade ago.

There has been a 180-degree shift in South Africa, from just 6 months ago. There seems to be a slow, building momentum gathering toward significant attitude change in South Africa. There is a shift of rhetoric by the leadership, and there are changes of policies underway that were not there even 6 months ago.

We should seize the breakage of this position of frozen dogma to help accelerate change. Some of the examples since 1977: Trade and labor unions are beginning to flourish, and I mean black trade and black labor unions. The policy of blacks being only temporary workers has changed, and now blacks are recognized as permanent. The Mixed Marriages and Immorality Acts are in the process of being abolished. Group areas, influx control and detention laws are at least on the agenda for change by President Botha.

Now I want to emphasize, and please hear me out: These changes are insignificant relative to the human suffering and the plight of blacks in that country. They are insignificant in the specifics of change and human thought, but they are significant in the change of mindset and attitude among whites. That is what I consider important.

In fact, we are seeing this hard line and this Afrikaner mindset beginning to see the reality of needing to move off dead center and recognize the need for change.

Now we must press, with the greatest vigor and positive influence possible to help accelerate that change. How can we do that?

Well, there are two bills, as I see it, that are important: There is the Gray approach and the Siljander approach. They both deal with present business. Let us analyze what the various bills do with present business? The Gray approach does nothing with present business. However our approach expands the influence that has instigated change; in the form of requiring all present business to conform to the full extent—not a modified version, but the full extent of the Sullivan principles; that has contributed $100 million, to black education, black scholarships, housing, and health.

It has helped put 120,000 blacks to work learning skills, earning promotions in desegregated American companies. The Sullivan principles can help prepare blacks to effectively challenge apartheid.

Industrialization and urbanization has doomed the Afrikaners' vision of apartheid and separation and dominance. The soft underbelly of apartheid is obvious. The government, the white minority, is now dependent on the black work force. They are three-quarters of the work force and 50 percent of the skilled work force. The growing labor union influence cannot be discounted.

We need to help promote what will create real change and not stagnation. We need to contribute to the black economic leverage for change.

I would like to read a quote from Colin Eglin, who is a member of the South African Parliament. He is white, but he is national chairman of the Progressive Federalist Party. They are the party that opposes apartheid.

He says, and I quote:

> These forces that increase the economic muscle [meaning, like the Sullivan principles] of black South Africans so that they are in a stronger position to bargain for their rights and fight for their liberation. It is these forces that promote peaceful change from within South Africa that must be strengthened and encouraged.

I would also like to quote from Chief Gatsha Buthelezi, of the Zulu Nation. He says:

I fail to see those who agree with this statement can possibly talk about effective economic isolation. Isolation will bring stagnation to the economy and perhaps even destroy its growth base. It is the circumstance of a rapidly changing and expanding economy where the independence of black and white is vastly increased. That is propensity of this country.

How do we deal with new business? Let's look at the two bills? Mr. GRAY of Pennsylvania eliminates, without real achievable qualifications, all new business in South Africa. Mr. SILJANDER, on the other hand, does something different. We say to new American businesses: You cannot enter South Africa unless you are willing to sign full compliance with the Sullivan principles. The very things we have talked about to help contribute to change.

So if you want to go to South Africa, expand business or create new business, then contribute to changes that have helped the oppressed black majority in that country.

Funding the process ourselves is another important aspect. How do we encourage self-determination? Will we put our money where our mouth is?

Now here is a conservative talking, a fiscal conservative. The Gray bill, in terms of dealing with assisting blacks in scholarship, housing, and education, does nothing. Our bill, increases the human rights fund to $2 million. Black scholarships, which are now nonexistent, will get $15 million. National Endowment for Democracy, $1.5 million, and we allow OPIC a variance from banning their involvement in South Africa to cooperate with black cooperative business ventures.

These are positive approaches that help contribute to change. I believe that systematically applying pressure in a positive emphasis is what we need to strive for.

Now how do we keep up the pressure? How do the two bills keep the pressure up for change in South Africa?

GRAY cuts off business loans, Kruggerrands, computers, and expects major changes on eight points. Our bill forces positive influence, as I said, by making new business and existing business conform to a positive change in the Sullivan code.

Second, we give extensive revenues to help them to change.

Third, we establish a commission that, over a 3-year period, would report to Congress at 6-month intervals on seven points of apartheid; many of the same ones that GRAY outlined. These points are the basic core that make up that abhorrent system of apartheid: The group areas act, influx control and pass laws, detention laws, and others.

If, at the end of those 3 years, the commission decides that there has not been significant change in these crucial areas, the essence of the system of apartheid, then the commission can recommend sanctions to the U.S. Congress.

I think that 3 years, considering the change and the movement of attitude and philosophy, is appropriate. I think it is fair. Three years is not too long to wait. We here on this floor the ongoing need to avoid violence and to work toward productive change, and I agree, and that is why we should give all peaceful change, peaceful opportunities, and options a chance.

The issue is not really whether apartheid should be eliminated. That is not the issue here today. I do think everyone in this Chamber at least would admit that they support change in South Africa. Certainly this Member would not consume all of this time if I did not believe personally and intimately, faithfully, and deeply that that terrible system needs to be changed.

What we disagree on is the process of encouraging and forcing and prompting that change.

Now there are four major points to the Gray bill. I wonder just how effective they are.

The first thing the Gray bill does, essentially, is ban computer sales. Well, come on in, Japan. Japan will simply fill the void; they have done so since 1976. Their market in South Africa in computers has increased 206 percent. So what good will that do pressuring South Africa, to allow Japan, as opposed to the United States, to sell them the computers?

Second, bank loans to the government will be banned. So without a Gray bill, without any bills of Congress, the loans to the Government of South Africa from American banks have already been cut in half, and that 50-percent figure is growing each and every day.

The New York Times reports that virtually all American banks and major banks have stopped lending to the government and its agencies, already.

Citicorp, J.P. Morgan & Co., and NCNB Corp., have adopted policies prohibiting loans to the public sector; and the Government Relations Council of the American Bankers Association, in an unusual move—says the New York Times—passed a resolution earlier this month encouraging banks not to lend to the government or its agencies, and to lend to the private sector only.

□ 1600

So without the Gray bill and without this bank provision, this system of pressure is already underway. Let me ask another question. I have heard in committee, when we have debated this bill, the arguments are usually retorted: "Well, we have to isolate ourselves from a nation who practices the evils of apartheid." Hear, hear; but this does not break away from the nation that practices apartheid. The loans are not banned to the private sector, just the public sector. Why not go all the way if we are so interested in isolating ourselves?

Krugerrands, for example. Is that going to apply pressure on the third point of the Gray bill? For each $350 in krugerrands, $49 goes to a black family, and 40 cents goes to the South African Government. What in the world will that do to help encourage the government but devastate the very people we are attempting to help: The black majority who are oppressed.

Let us keep these statistics in mind. Every black worker, especially in the gold mines of South Africa, feeds at least 6 to, some say up to 10 other mouths besides their own. In Lesotho alone, 65 percent of the GNP comes from South Africa, and 51 percent of that GNP figure is from gold mining alone. Lesotho is not a country that involves itself in apartheid.

Why not go all the way with chromium, manganese, vanadium, platinum, and gold bullion? If we are really serious about disassociating ourselves from the issue of apartheid in South Africa, then let us not be halfway about it; let us go all the way.

Now, I personally would not support that approach, but what I am trying to point out is that these halfway measures are not effective and will not be effective to promote change.

The last and fourth point of the bill: No new business. Well, you might as well say, why not just disinvest all together—and we have a chance to vote on that today yet. We have a chance to vote on that today yet. No new business. So what? We have disinvestment now without a Gray bill or a Siljander bill or a Dellums substitute. We have disinvestment now.

I mentioned that bank loans have been cut in half. Six States, 24 cities have passed resolutions divesting. Forty universities and eleven corporations are saying they are pulling out. Major corporations are leaving. They say, "The political instability of South Africa and in Washington is too much for us."

Already, these universities, for example, have sold $300 million in stocks. The stock and bond value, corporately, of all that I have mentioned is $1.5 billion. Not much for us, but significant for an economy the size of South Africa. We already have nearly 20 sanctions now around the world from arms sales and energy sales in South Africa. We have not seen a lot of change as a result.

I argue that if disinvestment is going to pressure the government to change,

well, it has. The reality of disinvestment without the fact of laws forcing it has jarred the government to a point where they are willing to change; the world pressure is building. American pressure is building, and I believe, as I said earlier, that change of mind and thought is underway.

I have another concern after meeting with the white leadership of that country. Could disinvestment and/or sanctions force the government into a harder line than the hard line now that we see softening? Remember power is important to any political leader. The white African leadership do have a constituency, and if their people perceive that they are changing their form of government because of outside pressure, from a GRAY, a SILJANDER, a DELLUMS, or a GUNDERSON, they will kick their own people out of office.

The reality is that whites run that country; the reality is that whites vote for the whites, and they are self-preservationists. They are not going to give up their power. It could force them to an isolationist corner which could end the softening process that has begun.

I would like to read another quote from Chief Gatsla Buthelezi of the Zulu Nation. He says,

We have to shape events in our own chosen direction. We have to fashion our society after the models that we ourselves emulate. Not outside forces.

What SILJANDER is trying to do is contribute to positive inside change, incorporating change by positive movement from the outside.

Our bill, I feel, recognizes that balance of imposing outside change to strengthening within, which I think is a positive alternative. With these major elements of apartheid at least on the docket for potential consideration: Detention laws, Group Areas Act, influx control pass laws—should it not be better to encourage change internally rather than force the dogmatic line even harder?

The last point, Mr. Chairman, that economic sanctions, or disinvestment I think in the end result will be a violent solution. It will be a violent solution, and I said earlier that we have heard countless speeches on the floor, we now have our Nicaragua and Iran. Why do we have to push toward a violent solution? Let us do all we can in a peaceful way before we resort to violence.

Placing economic hardships on the already oppressed black minority is fostering an environment of revolution. What are the alternatives for blacks if we disinvest or begin divesting out of South Africa? What leverage is left for us? What alternatives are left for the blacks, especially if we force the Afrikaaners into a hardline corner? Three hundred and fifty thousand legal workers from other countries work in South Africa, and 1.5 million, feeding again the 6-to-1 or 10-to-1 ratio, undermines the development of poor countries around that region.

South Africa has the seventh largest army in the world. Oh, yes, let it go to revolution; force the Afrikaaners into a radical corner, and what is the alternative? Revolution. Whose blood will be flowing down the sewers of Johannesburg and Soweto and Crossroads? It will not be white blood; it will be black blood that will be flowing down the sewers after a violent revolution ensues against a devastatingly strong and powerful army.

We need to use our great influence to help the advancement of blacks; not the destruction. Now, the people there do not want disinvestment. Are they interested in sanctions? No. A poll taken, now granted there has been criticism of the poll, but I would urge those that criticize the poll to read very specifically and very carefully exactly how the poll was done and taken, and I think they will find unequivocably that it was taken in a fair manner.

Seventy-five percent of the blacks in South Africa said they oppose disinvestment. An additional 10 percent said that if Sullivan were made mandatory, then they would oppose disinvestment. Now we are up to 85 percent. And 5½ percent said they did not care one way or the other or had no opinion. That is 90.5 percent saying they are either against disinvestment or would be against it if Sullivan were mandatory or just did not care one way or the other. So give it 10 percent variance either way, and I just do not see why we are forcing something on a community who does not seem to support it.

By the way, if the blacks in South Africa are really so energetic about disinvestment, why do they not walk off their jobs in a general strike. Let them disinvest themselves from the system. It is easy for us in our comfortable abodes and full stomachs and $74,550-a-year salaries and a beautiful Members' dining room and a cloak room; it is easy for us to say, "Spill your blood; lose your jobs; do not feed the rest of the families; let the rest of the countries around rot, because we know this is for your betterment and for the future."

□ 1610

It is easy for us to sit here and tell someone else to sacrifice. I would submit to you it seems pretty clear that the people there are not going to sacrifice as much as we want them to. More violence does not help. More violence will not soften the Afrikaner government.

Last, Mr. Chairman, how in the world would it help if we disinvested completely, or the sanctions are so severe that our American firms are crippled and have to leave, and the South African Government nationalizes the firms, kicks out the blacks who have been moving up in management mobility and puts in white Afrikaners after nationalization? How in the world does that help in the plight of the blacks?

Mr. Chairman, I think it is clear that if we expect change in South Africa, we should stand up against apartheid, but we should stand up against apartheid in a positive, effective way, not in a way that will hinder effective and dynamic change in that horrible apartheid system.

The CHAIRMAN. The gentleman from Michigan [Mr. SILJANDER] has consumed 26 minutes.

The Chair has been advised that we will proceed with the hour of general debate between the gentleman from Michigan [Mr. WOLPE] and the gentleman from Michigan [Mr. SILJANDER] and then proceed with the additional hour.

Mr. WOLPE. Mr. Chairman, I yield myself such time as I may consume.

Mr. RITTER. Mr. Chairman, will the gentleman from Michigan yield?

Mr. WOLPE. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, my constituent, Mrs. Dorothy Roth, is an American with South African roots, family roots, still in South Africa. She has shared her feelings with me in a recent letter.

I would like to share those feelings and that letter with may colleagues as we move toward a vote on the issue of America's best role in bringing change in South Africa.

Mrs. Roth's personal knowledge of the problem, her extraordinary sensitivity, her alarm, are worthy of my colleagues' consideration. I will be sending a CONGRESSIONAL RECORD copy of Dorothy Roth's letter to each Member of the House. I urge you to please find the time to read it.

The letter follows:

ALLENTOWN, PA.,
May 16, 1985.

Hon. DON RITTER,
Washington, DC.

DEAR CONGRESSMAN RITTER: Friday, May 3rd, our local newspaper, The Morning Call, headlined the following: "Panel backs sanctions against South Africa."

I read with alarm that the Democratic controlled House Foreign Affairs Committee voted 29–6 to impose new economic sanctions against South Africa and its system of racial apartheid. It also wants to suspend the sale of American computers and shut off imports of the South African gold coin—the Kruger Rand.

My question to them is, What do they hope to accomplish? And whom do they wish to help?

If the answer is to do away with apartheid I doubt their action's effectiveness. If it is to help the racially oppressed blacks improve their lot, I have to tell them their proposed sanctions will do the reverse.

From last year till today there has been a shocking economic upheaval in South Africa. I feel the happenings there transcend apartheid. It may even affect the survival of blacks and whites. I am very concerned, hence this letter to you.

I am from South Africa. I met my husband, Saul, in 1942 when his troopship, the S.S. Brazil was the first U.S. convoy to sail into Cape Town harbour. We corresponded for five years while he served in the China, Burma, India theatre of war. In 1947 we were married in Wilkes Barre, Pennsylvania.

I am a very proud American, the mother of two daughters; one an Orthopedic Surgeon, the other, a doctor of Psychology. I am a painter, potter and sculptor and writer. I thank God for all the wonderful opportunities I have enjoyed in this fabulous country and daily look for ways to be involved and say, "Thank You America".

Since 1947 I have made several return trips to South Africa. The past seven years I have made annual trips of six weeks duration to be with my aged mother. When I deplaned in Johannesburg this February, en route to Cape Town, I was shocked to learn about South Africa's horrendous economic problems, which began with businesses dealing with America and Europe that failed to insure themselves against the fluctuation of the dollar. This had a domino effect on others. While there fifteen bankruptcies a day were listed in the press. Some of the folded giants were famliar names to me, some personal friends. Exacerbating the situation were the abnormally high interest charges, 28% to excellent accounts, 32% to others. Shopping Malls, fabric manufacturing plants and other businesses suddenly closed. And builders of luxury apartments viewed with alarm their unsold condominiums, situated on the choicest waterfront locations, which last year, would have been fought over!

When I visited South Africa last year, the Rand was worth one dollar and nineteen cents. It dropped to 42 cents when I arrived this year. It since has risen to 50 cents.

Blacks and whites are victimized by this economic upheaval. While apartheid is obscene, repulsive, any adjective one wants to use, I know that unemployment and the fear of hunger, of helplessness and hopelessness, at this point in time are more central to the lives of the blacks.

The oppressive apartheid laws have, for years, been of great concern to many South Africans businessmen, professionals, most of its citizenry. They see the crippling, stifling ill-effects the myriad injustices to blacks cause industry. It hampers South Africa's progress. It also is a terrible drain on their economy.

South Africans welcome the presence of foreign and American investors with their Rev. Leon Sullivan human dignity guidelines. They are concerned with the demoralizing guilt apartheid causes the whites, the escalation of drug and alcohol abuse. They are affected by the brain drain by their sons and daughters leaving their beautiful country because of apartheid. Many don't enjoy being regarding the world's pariahs.

During the past years there have been moves toward changes in the apartheid laws. Too slow for many, too fast for others. For me, the most significant, the abolition of the Mixed Marriages act and Ted Koppel's Nightline broadcasts in South Africa. Watching extreme right and left debate apartheid issues on the same screen was an historic breakthrough.

Another reason for writing is my need to tell American protesters their voices have been heard in South Africa, that they now should retrench and permit the South African government to effect further changes without outside pressures. My fear is that the pressures of American idealogues, sans facts of present conditions, will cause irreparable damage to South Africa's blacks and whites. That in their zeal for changes they will destroy the country for blacks and whites. And once Humpty Dumpty is destroyed who will put him back together again? Who is putting Zambia and Zimbabwe back together again?

The blacks with whom I spoke, those who have jobs and homes, don't want unrest. They abhore the humiliating apartheid laws but prefer life in South Africa to that in neighbouring countries. They share the fear of the whites when they read and hear American students and other scream 'Divest Now!' Because divestiture to South Africans means no jobs for thousands. It means poverty and hunger and death. I am convinced that much of the stimulous for the recent uprisings in the Cape Province are due to fear of hunger and their survival needs.

Senator Kennedy helped no one with his recent visit. He antagonized whites and blacks. The blacks felt he disrupted things without effecting changes for the better and the whites objected to his anti-government stance. The general feelings were that his interests were more the American voter than helping to create building blocks for change. As a Democrat, who always respected Senator Kennedy, I was upset with the negative remarks people made to me about his visit.

I feel the underlying problem with apartheid is fear, fear for the stranger in their midst, the black person and his numbers. Today there are approximately 22 million blacks (not counting Indians and Cape Coloureds). The projection for the year 2000 is for 80 million. This is an emotional problem. Intellectual debates and present remedies do not work. One man, one vote, will mean an end to South Africa the way we know it. The questions that enter my head was: Will her strategically important ports, her wealth of mineral deposits and other assets be available to America in the future? South Africans looked up to America, enjoyed free trade with our country. Will this be able to continue? Will the cries and screams from American campuses effect meaningful changes without destroying what is? Many personal fears flood the mind. It is so easy to destroy, so very difficult to rebuild.

When the governments in Zambia and Zambabwe changed to all black, the persecution of blacks intensified. Why are there no outcries against that? And when the white residents of those areas left homes and wealth they were welcomed into South Africa. Where will the South Africans be welcomed when they have to run!

The South African apartheid situation needs the help of a Solomon, the situation is so complex. I suggest that the college brains stop protesting and think along lines of help with progressive, constructive ideas so that with their aid a solution can be found.

Sincerely,

DOROTHY ROTH.

Mr. WOLPE. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Pennsylvania [Mr. GRAY], the chief sponsor of this legislation.

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding this time to me.

Mr. Speaker and colleagues, today we have an opportunity to determine where this great Nation that we all love stands, for the issue before us is not an issue of jobs, it is not an issue of employment. What the issue is about is the loss of life, the loss of justice.

I am always amazed at those who would defend apartheid by changing the argument and trying to say what we are really concerned about is jobs. What we are really concerned about is employment, and the reason why we cannot bring any pressure to bear on apartheid is because it will create a jobless situation.

I can only quote what the distinguished Nobel Peace Prize winner, Desmond Tutu, recently said in a Newsweek magazine article when asked that very same question. He said, "Moral humbug."

Let me just simply say this. What is it that we are seeking to do in the Anti-Apartheid Act of 1985? What the act seeks to do is to cut off future financing by U.S. companies and individuals for apartheid. It simply says that in the future we will not invest our dollars in South Africa, we will not allow new companies to locate there, we will not allow new investments, we will not allow bank loans by U.S. banks to the South African Government, we will not allow the sale of Krugerrands in this country which produce over $200 million in foreign exchange for the South African Government, and we are not going to allow high-tech computers to be sold to that country so that they can be utilized for the influx control.

That is exactly what the Anti-Apartheid Act says. It says let us change our policy and stop the financing of apartheid. Indeed, there are many South Africans who agree with that. Mention has been made on this floor about Chief Buthelezi. Chief Buthelezi, who I know personally and I have met, and if I were the leader of a tribal segment of the population of 6 million people, I certainly would be supportive of not having any pressure because I do not want enfranchisement, because if I am a tribal leader, I can maintain my control.

However, let us look at all of the others who have spoken out. Let us speak to Desmond Tutu, the Nobel Peace Prize winner. Let us look at Manos Buthelezi, the bishop of the Lutheran Church, who is also the cousin of Chief Buthelezi. All of the leadership there have cried out to America and said, "America, why do you not stop financing apartheid?" They have said, "We are suffering, and we are willing to endure if we know that this great nation stands with us and that this great nation is willing to withdraw its financing of apartheid."

I submit to you that this legislation would not threaten one job in South Africa.

Second, I should point out to you the argument that this legislation would cause divestment is absolutely wrong and it is absurd and ludicrous. First of all, that is like arguing you cannot end slavery because you will have an unemployment problem. Second, factually, it is incorrect because there are 6 million people in the work force in South Africa. American subsidiaries employ 125,000 of the 6 million, and of the 125,000, only some 70,000 are the majority South Africans, and not one iota of this legislation would cause any of the 125,000 or the some 70,000 from the majority to lose their jobs.

Thus, what you have is a tortured argument that says for the benefit of 125,000 people, let us continue to finance the oppressive political regime of apartheid. Forget the over 5 million other people who are in the work force who have no freedom, no rights. Forget the 20 million South Africans who cannot own land, who have to live in designated areas, who must carry pass cards to show, who cannot be out at night without police permission. Forget them.

All for what? For 77,000 jobs which, by the way, this legislation does not affect or endanger in any way at all?

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. GRAY] has expired.

Mr. WOLPE. Mr. Chairman, I yield 2 additional minutes to the gentleman from Pennsylvania.

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding this additional time to me.

So to argue that this legislation threatens that majority is absolutely wrong and it should be pointed out that it is wrong.

Second, there are those who will argue that if you take these modest restrictions, you are singling out South Africa. Not so. We currently have restrictions on over 19 nations in the world, and is it not about time that the world's greatest democracy of freedom not only light a candle for those in Poland, and rightfully so, but is it not time we strike a match for those in South Africa?

If we can speak out, and I certainly have joined with my colleagues on all sides of the aisle speaking out for Sharansky and Sakharov, why can we not speak out for Nelson and Winnie Mandela? No. We already have restrictions like this around the world, And then they will argue, "Well, you know, these kinds of measures never change anything.

Did we think that sanctions were going to change Poland? No. But we wanted to let the world know where America stood, and that we did not stand with the oppressor, but we stood with the victims. Of course, this is becoming a normal confusion around Washington these days, where people do not know who to stand with, whether to stand with the victims or whether to stand with the oppressors.

□ 1620

I submit that this Congress ought to go on record by standing with the victims and not with the oppressors. I find it interesting that those who are arguing for us to stand with South Africa are asking us to stand with the oppressors. I think we ought to stand with Desmond Tutu. I think we ought to stand with Manos Buthelezi. I think we ought to stand with those who are protesting their condition while we have sat around and allowed U.S. funds to continue the oppression.

Mr. Chairman, what is the issue? It is not the loss of jobs; it is the loss of life, over 500 in the last 6 months.

Mr. WOLPE. Mr. Chairman, I yield 5 minutes to our distinguished colleague, the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Chairman, I would like to pay tribute to the distinguished gentleman from Michigan [Mr. WOLPE] and my very good friend, the gentleman from Pennsylvania [Mr. GRAY], for the leadership they have provided on this issue. Without their extraordinarily creative efforts, we would not be debating this legislation today.

The issue before us this afternoon requires a judgment not so much on the system and the situation in South Africa but on what we should be doing about it. Virtually all of us on both sides of the aisle appear to agree that the apartheid system is a moral and political abomination. Where we appear to disagree is over how the United States can most effectively use its influence to facilitate as soon as possible the elimination of this system of institutionalized segregation.

Those who are opposed to the Anti-Apartheid Act of 1985 appear to believe, as does the administration, that the best way for the United States to proceed is to continue the policy of constructive engagement. This was a policy adopted 5 years ago, and it was based on the premise that, by establishing a closer and more cooperative relationship with the Government of South Africa, we would be able to use our ensuing influence to encourage that Government to make real progress toward the elimination of apartheid. Five years later, I would submit that the policy of constructive engagement is a flop and a failure. It constitutes a monument to moral myopia and wishful thinking. It has done virtually nothing to bring about any real progress toward the elimination of apartheid, but it has created the impression that the United States is in sympathy with the racist regime in that country.

Now, some have said that significant changes have taken place in South Africa. They point to the impending elimination of the Mixed Marriages Act, and they point to the establishment of a new constitution and the creation of separate parliaments for the colored and Asian peoples of that country. But I would submit that the real measure of what has happened in South Africa is not these cosmetic changes, which leave utterly undisturbed the continued exclusion of the black majority of that country from any opportunity whatsoever to participate in the determination of their own destiny, but the remaining realities which continue to characterize the plight of the black majority in South Africa.

The failure of constructive engagement can be measured by the fact that in the last year alone 350 blacks have been killed by the security forces in that country; over 250,000 have been arrested for violation of the pass laws; and a quarter of all of the black women remain separated from their families.

It can be measured by the fact that the Government of South Africa continues to refuse to engage in any meaningful negotiations with the black majority to establish a new political dispensation in the country. It can be measured by the continued illegal occupation by the Government of South Africa of Namibia. And it can be measured by the growing enmity toward our policy with respect to South Africa throughout black Africa and on the part of the indigenous black majority within South Africa.

I would submit that the time has come for a new policy. The time has come for us to make clear our opposition to apartheid in deed as well as in word. The time has come for us to adopt the Anti-Apartheid Act of 1985.

Some will say that the best way to bring about change in South Africa is to encourage more U.S. investment in that country, but the fact of the matter is that 37 years after the establishment of apartheid in South Africa there has been enormous economic progress in that country, but from a political point of view the blacks are worse off today than they were three decades ago.

Others will say that the adoption of this legislation is an exercise in diplomatic hypocrisy, that as bad as the situation in South Africa may be, it is just as bad in other countries around the world, and why are we not taking action against them? But the fact is that we have imposed sanctions against Cuba, Vietnam, Poland, the Soviet Union, and even non-Communist countries like Libya, Iran, and Uganda, and I would submit that if we

adopted sanctions against all those countries, it would be an exercise in diplomatic hypocrisy for us not to impose sanctions against South Africa.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

Mr. WOLPE. Mr. Chairman, I yield 30 additional seconds to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Chairman, the Assistant Secretary of State for South Africa, Mr. Chester Crocker, said that it was not up to the United States to choose between black and white in South Africa. The choice that confronts us there is not between black and white. There are, after all, many whites in South Africa who are opposed to apartheid. The choice that confronts us in South Africa is a choice between right and wrong, between justice and injustice, between decency and indecency. The time has come for the United States to be on the side of change rather than on the side of the status quo in South Africa.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to the distinguished chairman of the Foreign Affairs Committee.

Mr. FASCELL. Mr. Chairman, I thoroughly agree with the gentleman's very cogent and very persuasive statement, as usual. I want to compliment him on his leadership in this matter because he, together with the gentleman from Pennsylvania [Mr. GRAY] and the gentleman from Michigan [Mr. WOLPE], who is managing this bill, has given immense leadership to this proposition. I agree with the gentleman that the time has come when we must put aside economic and political considerations and do something and face up to this problem.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

Mr. WOLPE. Mr. Chairman, I now yield 5 minutes to the distinguished gentleman from Washington [Mr. BONKER].

Mr. BONKER. Mr. Chairman, I rise in strong support of this legislation, and I would like to take this opportunity to commend the chief sponsor, the gentleman from Pennsylvania [Mr. GRAY], and the chairman of the Subcommittee on African Affairs, the gentleman from Michigan [Mr. WOLPE], as well as the gentleman from New York [Mr. SOLARZ], who has long been distinguished for his work on this issue.

I chair one of the subcommittees that has jurisdiction. We have conducted a series of hearings over the years in attempting to develop a proper legislative approach to this controversial, if not volatile, issue.

I would also note that 2 years ago, when this House took up and considered and favorably voted on the Export Administration Act, we added title III. Title III included essentially the same provisions which are before us today, including the Gray amendment, which was offered on the House floor and actually was accepted without too much resistance.

The legislation that is before us today is essentially that package, minus the Sullivan principles—and I understand that the sponsors intend to pursue separate legislation later on—and plus new restrictions on the sale of computer equipment to the Government of South Africa and her entities.

I frankly believe that the legislation that we have before us today is actually weaker than the legislation this House already adopted 2 years ago as an amendment in the form of title III to the Export Administration Act. In my judgment, that was stronger because it did include provisions on the so-called Sullivan principles. At that time there was very little resistance to these provisions. There seemed to be almost universal acceptance that the time had come to send a message to South Africa, and we had a reasonable approach to the issue by way of title III.

Now essentially the same provisions are back here on the floor in a new bill, and all of a sudden there is plenty of resistance. I would suggest, if anything, that there ought to be a demand for stronger legislation, given the public outcry we have been hearing throughout this country. Given the provisions I have discussed, I still have some reservations about key sections of the bill.

□ 1630

They involve, first of all, a noticeable absence of Sullivan principles. I personally believe that as long as U.S. businesses are in South Africa, they ought to exemplify America's values and standards and indeed our fair labor practices, so that we can set up a model in South Africa for other businesses there.

Second, I have never been a strong supporter of the ban on importation of krugerrand gold coins. This is something of a symbolic issue. It will do some damage to many of the mom-and-pop collectors in the United States, but I am not sure it will do overwhelming damage to South Africa or her policies. There is such a sophisticated international network on gold coins that I do not think there is any way we can inhibit or ban the flow of it.

The third concern that I have has to do with the total ban on all computer sales to the South African Government entity, including service agreements. This provision would amend section 6 of the Export Aministration Act to prohibit the export of all computers and related services and equipment to any South African Government entity, including the termination of existing sales, services and maintenance contracts on such items also raises a serious problem.

I share the concern of the sponsors and the objective about blocking the sale of American chip computers and equipment so that that equipment will not be used as instruments to enforce apartheid; but the scope of this provision is far broader.

Section 7 of H.R. 1460 goes way beyond prohibiting the use of U.S. computers in enforcing apartheid.

Under this section, U.S. computers would be banned to all government entities regardless whether they are for use in schools, hospitals, transportation systems, and utility companies.

Although the committee report states that the ban will cut off new U.S. computer exports to the South African military and policy and other government organizations that enforce apartheid, there are no exceptions for end users which do not directly enforce apartheid.

Furthermore, it should be pointed out that the current law prohibits exports of such computers subject to the commodity control list to the South African police and military.

Similarly, it is U.S. regulatory policy not to approve export license applications to a variety of South African Government entities where the computer could be used to enforce the policies of apartheid.

Let me make myself clear.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. WOLPE. Mr. Chairman, I yield 1 additional minute to the gentleman.

Mr. BONKER. Mr. Chairman, I thank the gentleman.

My point is this. If we want to ban the sale of computer equipment to the Government of South Africa because of an obvious concern that it might be used to enforce apartheid, I have no problem with that; but if we are going to put into the statute a provision that breaks or terminates all existing service contracts, maintenance agreements and efforts to sell software, then we put our companies in a position of contract violations and subject them to liability.

I do not think that ought to be the intent of the legislation. We want to send a message and be effective in dealing with South Africa, not place additional burdens on American businesses who happen to be located there.

Mr. SILJANDER. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I think everyone in this body is opposed to racial discrimination and apartheid in particular. One of the things that I cannot understand, how-

ever, is why we pay so much attention to the persecution and the discrimination and the human rights violations that take place in South Africa, while we close our eyes to the same things that are happening in neighboring countries in that part of the world.

For instance, in Angola, Malawi, and Mozambique, we see repression, prejudice, and human rights violations that are every bit as bad as that which go on in South Africa; yet we do not say a word about them. I do not understand that.

South Africa has a lot of problems and we should bring pressure upon them to change, but let us look at the past. In World War II and other conflicts they have been an ally and have helped us by fighting the fascists and other enemies of the free world. Yet we point all of our guns at them and we do not pay any attention to the Communist regimes in the southern part of Africa who are repressing their people and I wonder why.

Why do we not talk about Angola, where persecution exists on a daily basis?

Why do we not talk about Malawi? Why do we not talk about Mozambique?

It strikes me as curious that we pay attention to our friends and their mistakes, their shortcomings, and we do not point a finger of guilt at those who have a worldwide objective in mind, that being the Communist movement.

David Lamb, the former Los Angeles Times Africa correspondent, noted that "whites' injustice toward blacks is considered racist. The blacks' mistreatment of blacks is just part of national growing pains and is somehow acceptable to both Africa and the world beyond."

He does not understand that and neither do I.

A Kenyan journalist once commented that what Africans are doing to Africans is unbelievable.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. SILJANDER. Mr. Chairman, I yield 30 additional seconds to the gentleman.

Mr. BURTON of Indiana. I spent a little bit of time in South Africa. I believe the white population as well as the black population over there is very concerned about what is going on. The pressure is gleaning results, in my view.

I think that we should continue with the process of constructive engagement that the President of the United States is advocating, trying to bring about positive change in an orderly way. If we try to do it in the way we are talking about today, we will drive a friend away from us and end up rueing the day that we passed this legislation. Apartheid in South Africa is bad and should be changed, but this is not the way to bring about that change.

Mr. SILJANDER. Mr. Chairman, I yield myself the remainder of the time.

I thought it rather interesting that my colleague, the gentleman from New York, took the well shortly after several statements that I had made, to set up a strawman. Some of us, he said, were standing for the oppressors and not the victims. He said that some of us believe, as the administration, that continuing constructive engagement is good. He said that some would suggest that significant changes have been made in South Africa.

Well, I am not sure who in the world the gentleman from New York was referring to or who he was talking about. No one thus far in this debate has said that any significant changes have been made in South Africa.

Someone had alluded to the fact that some thinking within the South African Government has changed, but nothing substantively has changed. I tried to make that abundantly clear.

The administration does not support any of these substitutes, as I understand, because they are not part of the continuing constructive engagement policy.

I doubt that anyone in this body is standing aganist the victims and for the oppressors.

So I am not sure what strawman was built and knocked over, but it certainly is not anyone on this floor.

Mr. WOLPE. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Mr. Chairman, today, when we vote on H.R. 1460, we have an opportunity to redeem the fundamental principles of our Nation, and advance the cause of human freedom around the world.

History will judge us harshly—and we will deserve its stern verdict—if we fail to act to remove the blight of apartheid from South Africa. We, as a nation, may not be able to make perfect all the imperfections in the world. Still, we know that when one person's liberties are denied—whether in South Africa or anywhere else in the world—all our freedoms are thereby diminished.

Reagan's "constructive engagement" policy is a sham. It offers the false promise of freedom and equality to blacks who suffer discrimination and oppression, while it aligns us with a government that countenances such inhumane treatment.

Indeed, South Africa retains its pass laws, the bans on speech, assembly, political participation and travel, and its denial of due process.

If anything, internal repression has increased. Pass law arrests have doubled since 1980. By 1986, over 9,000,000 blacks will have been forced into the crowded, impoverished "homelands."

The present violence and repression continue unabated. Over 400 people—most of them blacks protesting continued repression—have died since September. Just 2 weeks ago, an official of one of the most determinedly nonpolitical black unions was beaten to death in police custody.

Our proclamations against apartheid sound insincere. Lured by profits 35 per higher than those available elsewhere, U.S. corporations have increased direct investments in South Africa from $140 million in 1950 to $2.6 billion in 1981. We are South Africa's second largest source of foreign investment. Our economic ties are perceived—rightly—to strengthen the South African Government.

Today's vote is a test. We need to show we won't let a few investment opportunities override important principles. It's not just a moral issue—it's smart policy. If we fail to take clear action, our adversaries won't let anyone forget it.

Opponents fear hundreds of thousands of lost jobs. This is surely exaggerated. American firms hire about 120,000 people there and will be allowed to reinvest their earnings. Employment is stable at Swedish firms facing even stricter sanctions.

The 300 American firms—particularly the half who adhere to the Sullivan principles—have done some good. But a policy that helps the oppressed is unsupportable it if helps the oppressor more. The plain fact is that U.S. investment helps enable South Africa to maintain its instruments of repression.

H.R. 1460 sends—without delay—a clear message to all that America's economic strength will no longer go to support apartheid.

H.R. 1460 simultaneously preserves our vital interests. It does not require divestiture. Nor does it affect most trade. We preserve our access to minerals and remain the option of further action against South Africa.

This bill will not end apartheid. That is up to the South Africans. But it signals our strong disapproval. It is an effective statement that we can no longer afford the political and economic damage resulting from close relationships with the South African regime.

Mr. WOLPE. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I rise in support of H.R. 1460, the Anti-Apartheid Act. I can think of no better way to demonstrate this Nation's opposition to the apartheid policies of the South African Government than to pass this bill.

In South Africa, if you're white, you live in a democracy. If you're black, you live in a police state.

If you're white, your salary averages around $500 a month. If you're black, it is less than $150.

If you're white, your country's infant mortality rate is 15 in 1,000. If you're black, it's one in five.

In South Africa, if you're white, you reap the benefits of American investment. If you're black, you can be jailed or even executed for advocating American disinvestment.

Today, we must speak for those who cannot speak for themselves. Our Nation must begin to withdraw from the South African economy.

Some say that if this Nation does not expand its trade with South Africa, another nation will. That is like saying that if we do not support racism, someone else will. Let those nations who want to support racism do so. This Nation will not.

Mr. Chairman, this Nation has always stood first and foremost for human freedom. That is why we stand apart from the South African Government. Today, let us increase that distance. Our history and our conscience should impel us to do so. I urge my colleagues to support H.R. 1460.

□ 1460

Mr. WOLPE. Mr. Chairman, I yield 1 minute to my distinguished colleague, the gentleman from Ohio [Mr. GRADISON].

Mr. GRADISON. Mr. Chairman, I rise, as an original cosponsor, in support of H.R. 1460. The issue of South Africa is an extremely complex one for American foreign policy. South Africa is strategically important to the United States and our allies. At the same time, the South African system of apartheid has generated understandable revulsion in the West. The recent protests in this country are testimony to the concern men and women of conscience have regarding this issue.

The violation of human dignity that occurs daily in South Africa is supported by an overt, pervasive, and systematic dismissal of fundamental human rights. The debate here, Mr. Chairman, centers on the construction of a policy which will most likely encourage change in South Africa that will be to the benefit of all South Africans and in the long-range interests of the United States.

The approach taken in the bill is to impose certain economic sanctions on South Africa. Specifically, these are a ban on new investments, the importation of krugerrands, and the export to South Africa of computer technology, as well as restrictions on new bank loans to South Africa. It must be stressed that this is not a divestment bill. The roughly 350 American companies currently active in South Africa, with direct holdings of $2.3 billion, are permitted to reinvest profits generated through their South African enterprises.

In advocating the passage by this House of the Anti-Apartheid Act of 1985, I am not encouraging the United States to walk away from the problem of South Africa, as some of my colleagues have argued. Neither is this a denigration of the Sullivan principles and the progress made in racial equality within the workplace by American companies adhering to these principles. Indeed, the ability to reinvest profits in South Africa will permit these companies to continue to play the positive role for change that they have in the past. Rather, this bill is a response to the lack of meaningful progress, outside those few selected workplaces, where discrimination is woven into the fabric of society.

It is true that certain changes in petty apartheid regulations have occurred. Certain reforms have also been implemented by the Botha government. Black trade unions have gained official recognition and some of the most insidious provisions of the Mixed Marriages and Immorality Acts have been amended. While these reforms begin to attack the surface of apartheid, the strengthening of restrictions on access to white areas for black South Africans, the lack of a Namibian settlement, and the continued pursuit of the homelands policy by Pretoria cannot be ignored.

The South African Government has acknowledged that tangible pressure from abroad plays a role in its promises of further reform. The enactment of this legislation alone will not bring about fundamental change overnight to a system that since 1948 has codified injustice in the regulation of political and economic rights and the social relationship between individuals. It will, however, provide an incentive for South Africa to modify gradually, and eventually change, its social and political system in a way beneficial for all communities in South Africa.

Pressure for change is building within South Africa. Recent outbreaks of violence indicate that patience with the slow pace of reform is eroding at a rate that makes the undesirable outcome of revolutionary violence more likely. It should be the policy of the United States to encourage Pretoria actively to do what should be obvious to avert this outcome. It is my belief that the economic restrictions provided for in this bill are a more significant lever for American foreign policy than if we merely continue to invest in a regime that we all agree is morally indefensible.

Mr. WOLPE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES. Mr. Chairman, recent events in South Africa and in the White House have once again illustrated why we in Congress must take the initiative in ending our country's cozy relationship with the immoral apartheid regime of South Africa.

By ignoring the plight of over 24 million black freedom fighters in South Africa and calling for sanctions against Nicaragua—after Mr. Ortega goes to the Soviet Union for aid—the President has stooped to a new low in insulting the intelligence of the American people.

By turning his back on repeated acts of violent repression which have claimed the lives of over 350 and the arrest of over 10,000 black South African men, women, and children during the last year, the President is aiding the South African Government in denying the majority of its people basic fundamental human rights which Americans hold so valuable in our society today.

Mr. Chairman, we in the Congress have the responsibility to act. The President has shown time and time again that he lacks the moral sensitivity to respond to the racist tactics of the South African Government.

Because this administration has continued to allow U.S.-based corporations to eliminate hundreds of thousands of jobs for American workers in order to exploit the low pay and poor working conditions for black South Africans, we have a responsibility to act to protect the interest of our constituents.

Because the President continues to ignore rising tensions in southern Africa, we in Congress must act in order to avert bloodshed of major proportions in that part of the world.

I have often urged this great assembly to take the lead in ending our Nation's support for the apartheid regime, and I have been encouraged by the increasingly positive response my calls have received from members of both political parties. I am now once again urging my colleagues to join in a bipartisan effort to restore America's tarnished image in the world, and to show that the majority of the American people still stand for the ideals which have made our Nation great.

H.R. 1460, the Anti-Apartheid Act of 1985, is a step in that direction. It sends a clear signal to the South African Government that the United States will no longer tolerate its offensive and repressive system of Government.

H.R. 1460 is a very important piece of legislatio. —I strongly urge my colleagues to support it's swift passage.

● Mrs. LLOYD. Mr. Chairman, I join with both my colleagues and also with black South Africans in urging support of sanctions against South Africa. Recent outbreaks of violence have forced us to reexamine our responsibility in peacefully abolishing acts of apartheid. I view economic sanctions

as an unfortunate measure. At this time, however, they provide the United States with the only tangible means of pressuring the South African Government to dismantle its current system of severe segregation.

As a cosponsor of H.R. 1460, I support its four measures which would ban new bank loans; ban any new investment in South Africa; ban the importation of South African krugerrands; and finally ban the sale of computers to the South African Government. The bill also allows a means for the South African Government to avoid restrictions. A means which I feel quite reasonable. Should any one of the following conditions be adhered to, we could view the South African Government as actively acknowledging their acts of inhumanity and willing to take steps toward nonviolent change.

Again, if the South African Government meets one of the following conditions, the President, with congressional approval, could waive for a limited time the prohibitions involving new investments and gold coins. The definite steps include freeing all political prisoners; giving full citizenship to the more than 8 million blacks now considered citizens of tribal homelands; eliminating all restrictions on where South African residents can live; ending the policy of forcibly moving blacks from areas designated for whites; letting blacks seek work without restrictions and live near their jobs in any part of South Africa; allowing black workers' families to live near workers' jobs; beginning negotiations with black leaders for a representative political system; agreeing to an internationally recognized settlement for Namibia, which South Africa occupies in violation of U.N. resolutions.

The companies operating in South Africa have maintained that they are providing jobs which are benefiting blacks. Many of these companies comply with the Sullivan principles in assuring equal working conditions for blacks. We recognize and commend the efforts of these companies in so much as they have made the first step at improving the lives of black workers. Yet, we must take this a step further in working toward assuring that an equally reasonable effort be made to meet the human conditions. Surely we cannot justify decent employment conditions in lieu of the poorest of living provisions. Quite simply, no choice should have to be made. These people should be allowed to choose both where they work and live.

Support of this bill would recognize the very basic of human needs while still allowing that certain sanctions could be avoided if the South African Government did nothing more than allow blacks to seek work without restriction. This seems to me not an unreasonable request and certainly one in line with our democratic philosophies.●

● Mrs. SCHROEDER. Mr. Chairman, one can debate apartheid all day and all night, yet the elementary facts will never change:

It is illegal here; we should not support it abroad.

Yet the South African Government representing 4 million whites uses taxes paid by U.S. companies to ensure a repressed work force of 26 million blacks.

Five of every six South Africans are black. Yet they cannot live or work where they choose; they risk jail if they strike for better wages or justice on the job; and they have no vote—they have no say in the government that imposes apartheid on them.

Passbooks: Blacks must carry passbooks wherever they go—a record of their fingerprints, work record, tax and family status, tribe and race, and where they can legally live and work.

Families: Apartheid laws prevent husbands and wives from living together in "white" cities.

Women: Black women face double discrimination because of their sex and race. Those who can find work as maids feed white children while their own go hungry in the barren "homelands."

Education: Less than half of black adults can read and write. Whites get free schooling. Blacks don't. The state spends 11 times more on a white child's education than on a black child's education.

Hunger: One of every five rural black babies dies before his or her first birthday—often from lack of food—while South Africa exports $2 billion worth of food a year.

Wages: On the average. Africans earn less than a third what white workers do.

Health: In December, a black American dancer performing in South Africa was in an auto accident. He is now a quadriplegic because the first ambulance refused to pick him up and he was denied admission at the white hospital to which a black passerby took him. By the time he was admitted to the black section of another hospital, he was quadriplegic.

A friend once told me that, although she had been active in the civil rights movement in the United States since the sixties and continues to fight racism in the United States, she had never experienced anything like the apartheid attitudes she witnesses in South Africa. There is no comparison, she said.●

● Mr. ALEXANDER. Mr. Chairman, I rise in support of passage of H.R. 1460, the Anti-Apartheid Act of 1985. Enactment of this legislation would make clear to the community of nations that the commitment of the people of the United States to the principle of freedom, liberty, and equal opportunity for all humankind wherever they live is a commitment, in deed as well as word.

The people of our Nation have demonstrated their willingness to work patiently toward the goal of social and economic justice. We have done so in the instance of encouraging the nation of South Africa to dismantle its destructive system of racial discrimination, apartheid. We support nonviolent change achieved in an orderly and progressive manner. But, there comes a time when we are forced to the recognition that there must be alteration in the methods we use to express our support for such change, and an acceleration toward equal economic, social, and legal justice for all men, women, and children.

And, there comes a time when we are forced to the recognition that an unchanging continuation of our economic relationships with a nation which systematically denies to a majority of its citizens the rights, freedoms, and privileges extended to a minority of its citizens—as is the case in South Africa—can only be interpreted as a betrayal of the principles by which we, as a nation, govern ourselves.

We have reached that time in our relationship with South Africa. The time has come for more decisive action. The time has come for stronger action. The Anti-Apartheid Act of 1985 embodies such change in the relations between the United States and South Africa. These are the reasons I have cosponsored this proposal. These are the reasons I now rise to urge my colleagues to support the basic principles by which our Nation governs itself and vote for passage of H.R. 1460.●

● Mr. RANGEL. Mr. Chairman, I rise in full support of this absolutely vital bill.

I am extremely concerned, as are all of you who are present here today, about the Reagan administration's policy of constructive engagement, of giving South Africa what they want because we think that somehow this well pry concessions from them, concessions that jibe with our constitutional traditions.

Well, we have gotten no concessions from South Africa. On the contrary, apartheid's hold has been strengthened on the nation, and allowed South African security forces to kill and maim nonwhite demonstrators with impunity.

What goes on in South Africa is anathema to all that we in the United States hold dear. The policy of apartheid mocks democracy, mocks fundamental rights, mocks human dignity.

A South African—if he happens to be black—cannot marry who he wants to marry. He cannot worship where he wants to worship. He cannot say aloud

what he wishes to say. He cannot even meet in private with those with whom he wants to meet. And he cannot vote at all.

The Republic of South Africa issues travel passes to blacks. It segregates blacks into inferior schools. And it forces blacks to work in serflike conditions in mines and services.

These are the most fundamental human rights, rights for which our own country has fought on the battlefield and in its legislatures. We have held these ideals for more than 20 years and should not tolerate their abrogation by any country. South Africa's system is repugnant to everything that this country holds dear.

And so we might ask what can be done to convince South Africa that we will not tolerate business as usual. We might ask how we can reconcile our revolutionary principles in our relationship with South Africa. And we might ask in what way we can encourage a peaceful move toward democracy in that country.

Well, our strongest tool is economic pressure. It can be wielded effectively by ending our relationship in areas of trade and investment. This is why I support the Anti-Apartheid Act. It is our strongest response yet to Pretoria's intransigence.

Arguments have been raised that our hitting at the South African economy will somehow harm black workers in the mines and other areas of production. Well, I ask those who use this argument where their priorities lie. Black protesters are slaughtered in the streets, black children are malnourished and undereducated, and black workers are already dying because of poor safety conditions. This is a classic case of sheer oppression, Mr. Chairman, and conditions will not be made better just because we ask South Africa to relent.

For these reasons, I encourage my colleagues to vote in favor of this act.●

● Mr. LONG. Mr. Chairman, I rise today in strong support of the Anti-Apartheid Act of 1985.

The time has come for the United States to at last say to the Government of South Africa that Americans will no longer tolerate the blatant suppression of the overwhelming majority of its people. The time is long overdue for the United States to join other nations of the world in imposing economic sanctions against the Government of South Africa as tangible evidence of the depth of our conviction that apartheid is absolutely unacceptable.

How can we, as Americans, who pride ourselves on our commitment to civil rights, continue to directly or indirectly support a government which denies the most basic of human rights to the largest racial group in its country? I believe we cannot. That is why I am proud to speak in favor of the legislation before the House today. H.R. 1460 will impose four economic sanctions on South Africa, but also provides waivers of these sanctions contingent upon the government meeting conditions which demonstrate its concrete dismantling of apartheid.

Opponents of economic sanctions argue that the United States can best bring about change in South Africa through quiet diplomacy or "constructive engagement." Yet after 4 years under this approach, the South African Parliament still excludes blacks, and by 1986 more than 9 million blacks will lose their citizenship. Doesn't it make more sense to adopt legislation with teeth, so as to provide a real incentive for the government to institute meaningful reforms?

Mr. Chairman, no one wants to see desperately needed change brought about by violence. But history repeatedly has shown us that a suppressed people cannot be held down forever. Change will come in South Africa, and I believe we should be among those encouraging peaceful and democratic reforms.●

● Mr. BOLAND. Mr. Chairman, I strongly support H.R. 1460, the Anti-Apartheid Act, and urge its adoption by the House.

I think there is no question among Members of Congress that the current human rights situation in South Africa, as embodied in the doctrine of apartheid, is deplorable. The question before us, therefore, is not whether or not to take action, but rather what action to take. It is by no means a simple decision. The administration policy of constructive engagement has been proven ineffective in light of the continued presence of strict apartheid laws. Furthermore, as the United States continues to do business as usual with the Government of South Africa, blacks in that country will increasingly see the United States as permanently allied with the white minority government.

H.R. 1460 applies direct pressure to the economic basis for apartheid, and it is for this reason that I urge its adoption. H.R. 1460 represents a serious response to a serious problem and will undoubtedly have an effect on the Government of South Africa. I need only point to the words of a former Prime Minister, John Voerster, who was quoted on numerous occasions as saying: "Foreign investment is the bricks and mortar on which South Africa is built." Clearly, working for improvement within the system is not a viable option for South African blacks. As that reality becomes more apparent to blacks, so does the risk of more violent confrontations between blacks and whites. The immediacy of the issue, therefore, is manifested not merely from a moral standpoint, but also from that of humanitarian concern for avoiding further violence, an objective which is in the interests of all parties involved.

Therefore we must more strongly encourage the Government of that country to negotiate with the black majority. Pursuasion by purely diplomatic means has not achieved change, at least not in a manner visible to most Americans. It is time to try a new approach. The sanctions outlined in H.R. 1460 are a step in that direction because they are intended to focus the attention of the Government of South Africa on the need to be more receptive to the desire for equality by the black majority. That Government has responded positively to economic pressure in the past, and the incentives provided in this bill will, I hope, result in a similar response.

Mr. Chairman, H.R. 1460 is a most important piece of human rights legislation. I urge my colleagues not to pass up this opportunity to encourage real change in South Africa. It is essential that Congress demonstrate its revulsion with the practice of apartheid, and the strong desire of the people of the United States to see that practice ended. I believe H.R. 1460 can contribute to that result, and I urge its adoption.●

● Mr. AuCOIN. Mr. Chairman, I rise in strong support of H.R. 1460, the Anti-Apartheid Act of 1985, and commend Congressmen GRAY and WOLPE for their work in making this bill a reality.

I regret that this legislation is needed. However, it is clear that Congress must act to fill the void in U.S. policy toward South Africa. The administration's policy of constructive engagement—the use of quiet diplomacy to dismantle the apartheid system in South Africa—has been an abysmal failure. Quiet diplomacy has meant silence on the moral issues that so violently divide South Africa.

It is time for the United States to take a strong, clear stand against apartheid; a system of institutionalized racism that is morally repugnant to the values of every American.

Just what does apartheid mean? It means that 3½ million blacks and coloreds have been forced from their homes into a system of barren homelands in South Africa. It means that the South African police have wide latitude to search and detain blacks without having to show cause, and that public meetings of black opposition groups are outlawed. Apartheid means that the South African Government spends seven times as much to educate a white child as a black child, and that a black child has little chance to find a decent job once he finishes his schooling. It means that the infant mortality rate among black children is 14 times that of whites. Apartheid means that calls for peaceful change, such as divestment, are

treasonous acts punishable by prison sentence.

Unfortunately, the United States has limited ability to change internal polices in South Africa. The South African Government does not receive U.S. aid. There are no military or other agreements that bind South Africa to the United States. But with the economic problems facing South Africa right now, economic sanctions have a chance of working some change. The legislation we consider today is one responsible step in this direction. By preventing new investment, but not disinvesting entirely, we leave ourselves more latitude in the future.

We obviously have much farther to go. U.S. firms in South Africa must go beyond the Sullivan fair employment principles and take an active role in working to change the apartheid structure.

The administration has got to stop talking about its hope for progress and start realistically working for change. As we continue to talk, blacks in South Africa continue to die—over 500 at the hands of the South African security forces in the past 6 months.

By passing this legislation, we show that the United States is not deaf to the cries for help and the demands for change by South Africans. I urge my colleagues to support this bill.●

● Mr. FASCELL. Mr. Chairman, I rise in support of H.R. 1460. I would like to commend the chairman of the Subcommittee on Africa [Mr. WOLPE] and the chief sponsors of the bill, particularly Mr. GRAY and Mr. SOLARZ, for the leadership and determination they have provided over the several years it has taken to shape this legislation. Nearly identical legislation passed the House during the 98th Congress. The need for this legislation was evident at that time, and the present need is even more evident.

The current U.S. policy of using only negotiations with the South African Government to bring about change in that country has not worked—in truth, the situation has deteriorated since this House voted in 1983 to impose limited economic sanctions upon South Africa.

Since that vote, the level of violence has soared, detentions without trial of blacks has increased, and suppression of those advocating peaceful change has risen.

The news media carries daily reports of continuing violent confrontation between blacks seeking political and humanitarian rights and the forces of the South African Government. I believe there can be no doubt that thecause of this violence lies in the system of apartheid, a system which maintains 23 million blacks, the overwhelming majority in South Africa, as outcasts in their own land.

Mr. Chairman, this legislation offers the House an opportunity to express its commitment to justice and equality throughout the world. Negotiations to end apartheid have not worked. It is time for this country to do more. Imposing the modest economic sanctions contained in H.R. 1460 will leave no doubt as to the position of our country on this great moral issue and will, I believe, assist in bringing equal rights to all the citizens of South Africa, black and white.

I urge all Members to vote in favor of this legislation.●

● Mr. COYNE. Mr. Chairman, I rise in strong support of the Anti-Apartheid Act of 1985.

The House should act swiftly and affirmatively on this measure in view of the failure of the administration's constructive engagement policy with the repressive Government of South Africa.

Let us consider the results of constructive engagement.

Since September of last year, more than 300 people have been killed. Most of them lost their lives as a result of anti-apartheid protests in black townships.

At least 21 union leaders are now in preventive detention.

More than 1,100 were detained without charges under South Africa's security laws last year. This is more than at any time since 1976 to 1977, the period of the Soweto uprising.

Congress must respond. Failure to do so would be seen as silent consent to the South African Government's reprehensible policies.

The Anti-Apartheid Act of 1985 is an appropriate response in such circumstance. Through the application of selective economic sanctions, the measure reflects, in policy as well as words the opposition of the American people to apartheid.

First, it would ban loans to the South African Government. This makes it more difficult for the Government to finance its military budget, its trade deficit, and other budget needs.

Second, U.S. investment in new enterprises would be halted. Since 1982, there have been at least 11 U.S.-financed enterprise established in South Africa. This restriction would restrict that occurence.

Third, the measure would halt the importation of South African krugger-and coins to the United States. This sanction would have an immediate effect since the United States accounts for half the market for these gold coins.

Fourth, the Anti-Apartheid Act of 1985 would end the sale of American computer, computer software, or goods and technology intended to service computers used by the South African Government. U.S.-controlled firms make up about 70 percent of the computer market in South Africa. Computers can be used by the Government and the police to enforce the repressive racial laws.

Mr. Chairman, 6 States, 24 cities, and 40 universities have moved to divest themselves of more than $1.5 billion in South Africa-related holdings, included stocks and securities. I am pleased to report that the board of public education of the school district of Pittsburgh approved last month a divestment resolution on South African investments and contracts. The board noted that the South African Government was diametrically opposed to the principles of equal opportunity and equal treatment for all citizens, a view that I share.

The House now has an opportunity to vote on its own divestment resolution. I urge a yes vote on the Anti-Apartheid Act of 1985.

At this point, I would like to include in the RECORD a copy of the resolution approved by the Pittsburgh Board of Public Education.

[The material follows:]

PITTSBURGH BOARD OF PUBLIC EDUCATION
RESOLUTION OPPOSING APARTHEID

Whereas the Board of Public Education of the School District of Pittsburgh, as the governing body of the second largest school district within the Commonwealth of Pennsylvania, is required by law to support, obey and defend the Constitution of the United States and the Constitution of Pennsylvania; and,

Whereas both of these constitutions provide, among other things, for equal opportunity and equal treatment for all persons covered by those constitutions; and,

Whereas the philosophy and practices of apartheid, as implemented by the respective governments of South Africa and Namibia (South West Africa) and their respective instrumentalities is diametrically opposed to the principles of equal opportunity for and equal treatment of the citizens of those countries; and,

Whereas the Board of School Directors condemns both the philosophy and the practices of apartheid and desires to adopt a policy that will demonstrate its opposition to this philosophy. Now, therefore, be it

Resolved, That the Board directs its appropriate officers to implement the following policy as it pertains to both the Republics of South Africa and Namibia and their respective instrumentalities:

(1) Investments—No funds of the School District of Pittsburgh shall be invested in or remain invested in the stocks, securities or other obligations of either the Republic of South Africa or Namibia or any of their instrumentalities. Neither shall any School District fund be invested or remain invested in any financial or investment institution which has investments in the stocks, securities, or other obligations of the aforementioned governments.

(2) Contracts—No contracts of any kind shall be entered into with any individual, business organization or professional association which has any contractual agreements for providing goods or services to the governments of South Africa or Namibia or their respective instrumentalities.

Any individual, business organization or professional association desiring to transact

business with the School District of Pittsburgh shall be required to set forth in writing that he, she or it does not provide goods or services to the governments aforementioned. Failure to comply with this requirement shall render this individual, business organization, or professional organization ineligible to contract business with the School District.

(3) The prohibitions in the resolution can be waived if they are:

(1) Inconsistent with existing laws;

(2) Inconsistent with the other obligations of current contractual relationships;

(3) Would constitute undue financial burden on the School District

(4) No other source of supply exists.

Such waiver shall be granted only by the Board.

Passed April 24, 1985.●

● Mr. BROWN of California. Mr. Chairman, I rise in support of the Anti-Apartheid Act (H.R. 1460), which sends a firm message to the South African Government that racism by custom, practice or tradition is unacceptable. Racism under color of law is intolerable.

Racism is not unique to South Africa, for I know of no society that can cast the first stone, even our society. But the Government of South Africa is singular in establishing a legal framework to preserve and advance the objective of apartheid. The Anti-Apartheid Act would bear witness that such a society, acting under color of law, is not welcomed here in the United States.

Critics against economic sanctions argue that constructive engagement will bring about a peaceful change and the elimination of apartheid in South Africa. They point to recent changes, such as permitting Asians and coloreds to be represented in Parliament and proposals to scrap the Mixed Marriages Act and the Immorality Act, and proudly boast that this is proof that the South African Government is changing in its attitude toward blacks. However, they fail to see that these are purely cosmetic changes at best, and that these changes have nothing to do with the fact that the plight of South Africa's 22 million blacks has not been eased.

The facts show that internal repression has escalated dramatically over the last 4 years: controls limiting black access to white areas have been strengthened; arrests for pass law violators have more than doubled; fines for employers hiring illegal black workers have increased tenfold; and over 9 million blacks will lose their South African citizenship by 1986 as part of the Government's racist homeland policies.

Critics also argue that those most affected by the loss of the American business presence will be the black South Africans. These claims are unfounded. The effects on employment will be minimal, because this bill would permit U.S. businesses to reinvest their earnings and to continue their operations in South Africa. Moreover, only about 1 percent of South Africa's black work force is employed by U.S. firms.

Black South Africans have made it clear that even if sanctions create hardship for them in the short run, they are willing to bear that burden to achieve political and economic freedom in the long run. As Sally Motlana, vice president of the South African Council of Churches has said, "We don't want our chains made comfortable. We want them removed." Likewise, Nobel Peace Prize winner Bishop Desmond Tutu has given his support to economic pressure on the South African Government by calling for total divestment if apartheid is not eliminated within 18 to 24 months.

The Reagan administration contends that sanctions do not work. This statement is clearly contradictory since the United States has used such sanctions in the past—against Rhodesia, Uganda, Cuba—to name a few—and most recently Nicaragua—to encourage change in the behavior of foreign governments and to underscore U.S. opposition to these regimes. The sanctions in this bill would in no way eliminate American leverage in South Africa, rather it will provide incentives for real reforms. Active opposition to apartheid is in the best interest of the United States, South Africa and the world, for it is only a matter of time before South Africa's black majority will assume power. Bishop Tutu has said:

> We will be free whatever anybody does or does not do about it. We are concerned only about how and when. It should be soon, and we want it reasonably peaceful. When we are free, South Africa still will be of strategic importance, her natural resources still will be of strategic significance, and we will remember who helped us to get free.

Let's make sure that the United States' Government adheres to its own ideals and stands firm against the system of apartheid by supporting the Anti-Apartheid Act.●

● Mr. GARCIA. Mr. Chairman, I rise in support of H.R. 1460, the Anti-Apartheid Act. As an original copsonsor of this bill, and as an ardent opponent of apartheid, I urge my colleagues to also support this most worthy legislation. It is a well balanced proposal that addresses the inherent flaws within our policy toward South Africa.

This is a constructive policy. It is not overly restrictive. With this bill we are, nonetheless, sending a definite signal to the Government of South Africa, telling them that we cannot do business with a government that treats its majority community in such an unspeakable manner. We are not merely talking about political rights here; we are talking about human dignity.

The major provisions of this bill:

First, that it would prohibit any new loans or credits to the government of South Africa; second, that it prohibits the importation of krugerrands; third, that it prohibits new investments; fourth, that it prohibits the sale of computer technology; and are not at all unreasonable, particularly considering the Government we are dealing with.

This is not a racial issue. It is a moral outrage, to think that we in any way lend support, directly or indirectly, to the Government of South Africa. There are over 25 million nonwhites living in South Africa who are systematically being deprived of their rights by a white minority of less than 5 million people.

This is not a question of civil rights. There is not a question of separate but equal under apartheid. All nonwhites are inherently unequal under that system. It degrades all human beings: black, brown, and white. It does not allow people to interact with one another. It fosters hatred and despair.

It is important that this issue not get lost in the shuffle of current events. It must remain an important item on our foreign policy agenda, and H.R. 1460 is the vehicle that will insure that it does not get lost in the shuffle of vague promises and certifications. We cannot legislate morality. We cannot force the South African Government to end apartheid. What we can do, however, is insure that the costs of maintaining this most abhorrent system remains high. Passing H.R. 1460 is a step in the fight to bring down apartheid. I urge my colleagues to support it.●

● Mr. MINETA. Mr. Chairman, I rise in support of the strongest possible sanctions to be taken against the government of South Africa. The American people can no longer economically and politically support the policy of apartheid. Past administrations have tried to effect change in South Africa through dialog. They have condemned, cajoled, reasoned, and pleaded with the Pretoria government to change their policies of denying rights, basic human rights, to the black population of their country. These attempts have not come to much in the way of removing apartheid.

The present administration has taken a course called constructive engagement—a policy based on the belief that private pressures will go farther in coaxing Pretoria to give up apartheid, than public outrage and public pressures. What has 4 years of this so-called constructive engagement brought? I believe there is a consensus in this country that the situation has gone from bad to worse for blacks in South Africa.

Basic human rights are still being denied to South African blacks. In

their own country, South African blacks cannot vote; they must carry passes at all times; they cannot own property in areas that amount to 87 percent of the country because those lands are reserved for whites; they are barred from making economic progress; and millions have been stripped of their citizenship under the devious homelands policy.

In addition, brutal police state actions seem to have increased, not decreased, during this phase of constructive engagement policy. In retaliation to political activism by the blacks, the South African Government has cracked down with brutality, with the shooting of demonstrators, arresting of thousands, restricting or banning of previously legal political groups, and killing many who were held in police custody.

Constructive engagement has been tried and can now be set aside as a failed policy. The well-publicized reforms of the Government of South Africa—the repealing of the ban on interracial marriage, for instance—makes mockery of our Government's present policy toward the Pretoria regime. Does our administration and South African President Mr. Botha expect us to believe that these cosmetic concessions are the harbingers of sweeping reforms to come? Should black South Africans take heart, that at last, close at hand is a plan for dismantling apartheid?

Who does the administration and Mr. Botha think they are deceiving? Certainly not the South African blacks, certainly not the American people, and I hope certainly not this Congress. The South African Government has given no indication that they are seriously considering sharing power with the black majority. We have had enough of the endless talk of reforms that constructive engagement was to have brought.

Mr. Chairman, it is time for a change in the policy of the United States toward South Africa.

I ask that economic and political sanctions be taken against the South African Government. There are those who say that sanctions are not the right way to encourage change in South Africa. Yet, those who say that give us no viable alternatives, only rhetoric, and a string of failed policies. We are not saying that our Government can, or that sanctions can, reorder the system in South Africa. But we are saying that sanctions will go a lot farther in pressing for a change in the racist policies than more political rhetoric.

I am outraged by those that accuse proponents of sanctions of merely seeking a moral highground, or picking only on South Africa. The fact of the matter is that we are involved with a government, in a way that we politically, economically, and morally support their apartheid policies. This involvement brings us to bear a serious responsibility. The question before us is whether we can accept that responsibility and act responsibly today. Will this body continue to be passive bystanders as the administration continues their near tacit approval of apartheid?

The hour is late, but not too late. If we do not act now, we may lose an opportunity to actively participate in bringing about an end to apartheid. I ask my colleagues not to remain silent, not to obfuscate the issue, not to drag their feet, but to take a strong stand that we can no longer continue to do business as usual with a government that upholds racism as an official policy.

The time for pure rhetoric has passed. We must live up to, not just speak of, our democratic ideals in our domestic as well as international policies. I urge my colleagues to extend their support for the strongest sanctions, and therefore, the strongest signals, to show that we will no longer tolerate as a close ally, a government that institutes the policy of apartheid. Thank you.●

● Mr. TOWNS. Mr. Chairman, I want to voice my wholehearted support for H.R. 1460, the Anti-Apartheid Act of 1985. This legislation, which has broad bipartisan support, gives the Congress an opportunity to stand firm in its opposition to the system of apartheid in South Africa.

The Reagan administration's current policy of constructive engagement has only strengthened the hand of hardliners in the South African Government who are opposed to changes which can only lead to a violent confrontation between blacks and whites in that country. Active opposition to apartheid, however, is the appropriate posture for a nation, such as ours, that prides itself on freedom and justice for all regardless of race, creed, or national origin. Constructive engagement merely aids the repression and discrimination of the South African Government, aligning the United States with a racist regime.

H.R. 1460 imposes four economic sanctions of South Africa. These sanctions are a reasonable response to ending our complicity with the system of apartheid. The sanctions involve a ban on loans to the South African Government; a ban on any new investment in South Africa; a ban on the importation of South African krugerrands; and a ban on the sale of computers to the South African Goverment.

It is time for Americans to stand up for justice and freedom for all the people of South Africa not just a small minority who obtained their position solely on the basis of race. The realities of this system are abundantly clear when 85 percent of the population is denied basic political rights and South Africa's black workers earn less than one-third of the wage paid to white workers. Workers who have protested these inequitable conditions have been beaten, jailed, and often killed.

H.R. 1460 is the last peaceful tool available to bring pressure of the South African Government to end its policy of apartheid. Last year, the House agreed to an amendment to the Export Administration Act which prohibited loans to the South African Government. The Senate opposed this provision in conference. With renewed violence in South Africa, particularly the recent deaths of union leaders and peaceful protesters, it is clear to me that greater sanctions are needed than those proposed in the Export Administration Act. I urge my colleagues to lend their support to H.R. 1460, without weakening amendments. We will be judged in history as to whether we stood on the side of justice and freedom for the people of South Africa. I hope that we will be on the right side of history, today, by supporting H.R. 1460.●

● Mr. FEIGHAN. Mr. Chairman, we have in recent weeks been dramatically reminded of the horrors that man can perpetrate against man. The 40th anniversary of the end of the Second World War gives us an opportunity to remember the savagery and sorrow and to rejoice in the victory of freedom over the bonds of repression and deadly prejudice. We can rejoice in the freedoms we and our allies fought to protect; but even as we celebrate that victory, we are burdened by our involvement in repression that has had no respite.

In South Africa, the shameless brutality of apartheid continues unabated. Millions of blacks have been deprived of citizenship, deprived of their homes, and shipped en masse to desolate outposts called homelands. Innocents are killed as tension leads inevitably to violent confrontation. In this country and around the world the call has gone out to condemn this systematic repression, and still we do not act.

Constructive engagement, Mr. Chairman, is a fancy title for a hands-off policy. It is neither constructive nor instructive to continue underwriting a government of the minority whose legal code prescribes the subjugation of the majority. What's more, our active involvement in that system strengthens its hand by supporting the means to power.

The Anti-Apartheid Act comes to grips with the problems and the potential of U.S. involvement in South Africa. The sanctions it imposes—on new investment, on loans to the Government, on the importation of the krugerand, and on the sale of computer technology—will have a demonstra-

ble impact on the South African regime without unduly burdening U.S. interests and without harming the black South African population. U.S. businesses will be able to reinvest their earnings; loans agreed to before the legislation is enacted will be honored, and existing investments will not be affected. Those U.S. companies urging reforms within South Africa can and should continue to do so.

The sanctions, however, are strong. It would prohibit loans to the Government of South Africa, a policy adopted already by 26 of our largest banks. It would prohibit new investment in South African businesses; the U.S. currently has holdings of $2.3 billion in South Africa. The bill would prohibit the importation of the South African krugerand, a business that now underwrites the Government at more than $600 million a year and comprises half of all their krugerand sales. Finally, the bill would restrict computer sales, now 70 percent of South Africa's computer business.

There are important conditions placed on these sanctions which provide significant incentives for change. Loans to the South African Government would be allowed if the funds are used for educational, housing, or health facilities available to all South Africans on a nondiscriminatory basis. Computer technology donated to schools would be allowed. Moreover, the prohibitions on new investment and the importation of krugerands can be waived by the President for up to 4½ years if the South African Government meets certain conditions in the bill demonstrating progress in eliminating apartheid.

It is time to replace constructive engagement with constructive policy. If our repudiation of apartheid is to carry weight, we must not continue to belie our words with our actions. This bill is sound policy, putting teeth in our calls for reform and providing active incentives for change. I commend the hard work of my colleague, Mr. GRAY, and urge unanimous support for this act.●

● Ms. MIKULSKI. Mr. Speaker, I join with many of my colleagues in support of the Anti-Apartheid Act of 1985 (H.R. 1460).

Over the past year and a half, over 400 black South Africans have been killed, many while in police custody; a massive crackdown by the South African Government resulted in over 24,000 arrests in 1 month; the leaders of the black labor movement were thrown in jail without charge or trial; thousands of black South Africans have had their homes bulldozed and have been forcibly removed to distant homelands.

Apartheid is a disgrace to civilized society. Wtih each year of American inaction, conditions in South Africa get worse. Bishop Desmond Tutu and other black South African leaders continuously beseech the United States to send a meaningful signal of concern to the Government of South Africa.

H.R. 1460 is such a signal. It is an important first step toward bringing substantial pressure to bear on the South African Government to change its racist policies. It would prohibit new American investment in South Africa and new American bank loans to the South African public sector. It would also ban the sale of the South African gold coin, the krugerrand, in the United States and ban American computer sales to the South African public sector.

This week, many concerned citizens from my home State of Maryland will demonstrate their opposition to apartheid in front of the South African Embassy. Their determined effort to take action against apartheid is reflected throughout the world by the many speeches, resolutions, and statements we hear of from countless world forums.

We now have the opportunity—the responsibility to act. The Anti-Apartheid Act demonstrates our moral outrage and continued resolve to oppose apartheid in all of its forms. We must act now. I strongly support the Anti-Apartheid Act.●

● Mr. WIRTH. Mr. Chairman, I rise in strong support of H.R. 1460, the Anti-Apartheid Act of 1985.

It is time for the white minority government of South Africa to relinquish power to a democratic regime with full political rights for the blacks who make up the vast majority of the country's population. And it is certainly time for the Congress to legislatively encourage such a development.

The death tolls, the economic disruptions and the social chaos in South Africa's urban and rural areas are mounting rapidly and show no signs of abating. The artificially contrived apartheid regime is unravelling, a fact that is clear even to the system's supporters.

The question now is: will the white minority support an orderly transition to government based on democratic choice and the right of self-determination or will it maintain its siege mentality and resist change until the conflict degenerates into a bloody racial war? And just as importantly, from our perspective, what will our Government's role be in shaping the transition?

The answer to the first question is crystal clear. The Afrikaaner government should no longer control the black majority through oppression and must effect a prompt transition to democratic rule open to all people within South Africa's borders—and that includes the so-called independent homelands, such as Transkei and Bophuthatswana.

Of course, the Afrikaaner government would counter that such a transfer will undoubtedly lead to a country-wide breakdown of order. That breakdown, however, is already occurring. The growing aspirations of South African blacks, coloreds, and Indians are meeting the increased oppression of the Afrikaaner government with volatile results—and this volatility is spreading throughout the country like wildfire. Not only is there political unrest in townships like Soweto, but also in the rural areas, where open opposition to apartheid was previously sporadic and unorganized.

The white minority government can only respond by magnifying its oppressive policies authorized under the rule of apartheid. Those policies include murder, as the continued killing of black protesters throughout the country tragically demonstrates. These policies rely on the detention and torture of the system's opponents, as well as the strict control of internal movements by blacks under the pass laws and laws requiring the forced removal of black indigents from their ancestral homelands. Reports from independent human rights groups indicate that the intensity of the white regime's violent assault on the opponents of apartheid, and even those innocents caught in the conflict, is on the increase.

But that assault is not deterring the opponents of apartheid from continuing their just crusade. One example among many was the funeral march, less than 2 months ago, for 19 blacks murdered in Uitenhage on the 25th anniversary of the Sharpesville demonstrations and massacre—the march numbered 60,000 people. And it was led by men—Bishop Desmond Tutu and Rev. Allen Boesak—who can effect the peaceful transition which the minority government ostensibly desires. These men—these peaceful advocates of a prompt and nonviolent change in the way South Africa is governed—may well offer the last best hope for peace. I am convinced that if the Afrikaaner government continues to resist change, violence will soon be seen by blacks as the only route to independence, and Bishop Tutu and Reverend Boesak will be cast aside in favor of less experienced and perhaps less stable rebels.

Given these conditions, it becomes clear what the U.S. role in shaping the transition should be. Through carefully managed economic sanctions, the United States must push the Afrikaaner government to open the democratic process to all peoples of South Africa, as expeditiously as possible. For years, I have fought with many of my colleagues for tough economic sanctions against South Africa. Now, for the first time, see the possibility that such sanctions may be approved by the Congress—156 of us in the

House have cosponsored legislation that would ban new U.S. investment in South Africa, bank loans to the Afrikaaner government, the import of Krugerrands, and the export of computer equipment and software to South Africa. This legislation, which is also drawing considerable support in the other body, would not completely undercut the South African economy, but it would send a powerful signal to the South African Government and white community that the United States, its one perceived ally, will no longer tolerate footdragging on the abolition of apartheid.

The administration has asked us to be patient with its policy of constructive engagement that relies on quiet diplomacy to achieve social and political change in South Africa. Yet we cannot afford to remain quiet while South African riot police shoot down blacks who rightly protest a system that denies them basis civil rights and degrades them because of their racial inheritance. We cannot remain silent so long as blacks, coloreds, and Indians are deprived of their right to self-determination through open democratic rule.

Instead, we must act forcefully to dissociate ourselves from the Afrikaaner government and its system of apartheid. The opportunity exists—now and perhaps only now—to help the black majority in South Africa throw off the shackles of apartheid and engage in a peaceful transition to open democratic rule.

I urge my colleagues to vote for H.R. 1460, and against any amendments or substitutes that would dilute our efforts to hasten the demise of apartheid.●

Mr. WOLPE. Mr Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. Under the rule, the gentleman from Maryland [Mr. MITCHELL] will be recognized for 30 minutes and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Maryland [Mr. MITCHELL].

Mr. MITCHELL. Mr. Chairman, I yield 5 minutes to the gentleman from the District of Columbia [Mr. FAUNTROY].

Mr. FAUNTROY. Mr. Chairman, I rise in support of H.R. 1460, the Anti-Apartheid Act of 1985.

The significance of our consideration of this legislation today lies in the fact that in America, we've known racism and oppression.

We've known slavery and black codes; we've known Jim Crow, back of the bus, and Bull Connors, with his fire hoses and dogs. In America, we've known racism and oppression.

But racism and oppression rear their ugly heads most stridently in South Africa where 90 percent of the land and 70 percent of the income has been grabbed by a white minority, who has relegated 80 percent of the population to second class, impoverished status, simply because they are black.

Apartheid—modern day, institutionalized racism and oppression—is reflected in passbook laws, a system wherein passes are required of blacks for movement, and without these passes, they are fined or jailed. Apartheid is reflected in resettlement camps—dirty, filthy, inhumane camps for blacks, with high infant mortality rates. Apartheid is the South African Government uprooting families through forced relocations and denationalization. It is migratory labor, separating black families for nearly a year to insure cheap labor for white communities. Apartheid is reflected in homelands, modern day reservations of barren, rural wasteland. And under the system of apartheid, blacks have no say in the government that rules them—they are not allowed to vote.

Most disturbingly, apartheid is reflected in the arrest and jailing of blacks without any semblance of due process. It is reflected in unbridled, unmitigated violence, perpetrated by the Government of South Africa. In recent months, more than 400 black South Africans have been killed, far too many of them having died while in police custody.

I believe world opinion will no longer tolerate the system of apartheid. I have been encouraged by growing opposition to the policies of the South African Government and to our Government's policy of "constructive engagement."

H.R. 1460 is a consensus initiative worthy of the support of this body. It is practical enough to stand a fighting chance of passage in the Senate, yet it is firm enough to send a clear, strong message to the Government of South Africa.

Early in this Congress, I introduced H.R. 1098, the South African Human Rights and Conditionality Act of 1985. Two key concepts are incorporated in H.R. 1460 that are important features of my bill, H.R. 1098.

The first concept may be referred to as conditionality or the Tutu principles. It reflects the recommendation by Bishop Desmond Tutu that the South African Government be given a time certain to make fundamental change in its system or face stiff sanctions. As we shape a law for new U.S. policy in South Africa, I believe it is very important that we listen carefully to those who are suffering under the thumb of apartheid. We have met Bishop Tutu's recommendation by providing for waiver of the restrictions on new investments and the ban on importation of Krugerrands if the President certifies that the South African Government has met one or more of certain conditions and if Congress passes a joint resolution agreeing with the President. Further waivers are allowed under the same process as more conditions are met.

The second concept seeks to encourage other nations to join the effort to end apartheid. At section 10 of H.R. 1460, we direct the President to attempt, by negotiations, to persuade these nations to adopt a program of restrictions comparable to ours. This provision is vital because if a U.S. firm voluntarily acts against apartheid, as the Chrysler Corp. recently did, or if a U.S. firm conforms to the provisions of H.R. 1460 once it becomes law, a foreign firm should not be freely allowed to step into that open market, exploit cheap labor, and assume an unfair competitive advantage.

There is another provision taken from H.R. 1098, which is embodied in H.R. 1460. At section 12, subsection 10, the term "political prisoner" is defined. The definition is drawn from the Refugee Act of 1980. Persecution and incarceration of political prisoners in South Africa is a major problem. This subsection is designed to help free persons like Nelson Mandela, without countenancing terrorism.

By passing H.R. 1460 today, we can begin to move our Nation to the high ground of principle by insuring that the moral and economic influence of the United States is felt in South Africa. The administration seems to be wedded to its policy of constructive engagement. It will take leadership from the Congress to put this Nation on the right track.

Mr. Chairman and my colleagues in the House of Representatives, as most of you know, it was 6 months ago this very day that I, Randall Robinson of TransAfrica, and Dr. Mary F. Berry of the U.S. Civil Rights Commission launched the Free South Africa Movement. That movement has grown to embrace a new coalition of conscience in our Nation that now includes Democrats and Republicans, students and senior citizens and women, blacks, whites, Hispanics, Asian Americans, native Americans, union members, Protestants, Catholics, Jews, Muslims, and gentile alike; all of whom want America to do her part to halt the South African regime's blind march to tragedy, bloodshed, and violence, and move up the road toward national reconciliation and dialog that will end the most vicious system of racist repression the world has seen since Nazi Germany.

The Republic of South Africa, with its racist system of apartheid, is the only place on the face of the globe where racism is enshrined in law. By law, in South Africa, the color of one's skin determines whether a person can own property, where he may live, where he may work, and whether he can vote. In South Africa 22.3 million

people, 73 percent of the population, are brutally denied their basic human rights, simply because their skin is black. Apartheid is a system of rigid social segregation, and vicious political domination that is a moral outrage to people of conscience and human decency across this Nation and around the world.

Members of our House Banking, Finance and Urban Affairs Committee are strongly supportive of H.R. 1460 because our jurisdiction makes us keenly aware of the extent to which apartheid is, at heart, a labor control system that is built upon cheap labor and foreign investment.

Because black South Africans are forced to work in mines for an average wage of $175 a month, the average return on investment in a mine in South Africa is 25 percent, while around the world the average return is only 13.7 percent. Because black South Africans are forced to work in factories for an average wage of $232 a month, the average return on an investment in a factory in South Africa is 18.7 percent, while around the world the average return is only 12.6 percent.

It is little wonder then that American banks, corporations, and individuals have invested $14.5 billion in this slave labor system which apartheid maintains for investors around the world. The Federal Reserve Board reports, that as of June 1983, U.S. banks had invested $3.8 billion in direct loans to the South African Government and businesses. Both the Survey of Current Business and Nation magazines reported in September 1983 that American corporations had direct investments of $2.6 billion in businesses and industries that they operate in South Africa. And, American citizens had $8 billion invested on the Johannesburg Stock Exchange.

While the slave labor wages in South Africa offer American banks, corporations, and stock purchasers a higher return on their investments, they profit at the expense of American workers who have lost their jobs to the slave labor system in South Africa. Take the steel industry, for example. Steel production in this country has gone down 50 percent in the last 10 years with the loss of 700,000 jobs for American workers. Over the same period South African exports of steel to the United States has gone up 5,000 percent. Why? Because financial institutions like Chase Manhattan, CitiCorp, Continental Illinois, Kidder Peabody, First Boston, Merrill Lynch, Smith Barney, Manufacturers Hanover, and Morgan Guarantee Trust have invested hundreds of millions of dollars in ISCOR, the Government owned and subsidized Iron & Steel Corp. of South Africa.

Jobs that left Gary, IN, and Youngstown, OH; Pittsburgh, Homestead, and Johnston, PA opened up in South Africa.

This fact was brought home to me dramatically last December when I traveled to Mobile, AL, to open the Free South Africa Movement in that port city on the Gulf of Mexico. None other than Gov. George C. Wallace of Alabama sent an emissary to my press conference to announce that he was making me a lieutenant colonel in the Alabama State Militia, and that he supports the Free South Africa Movement. Why? Because apartheid in South Africa takes jobs from Alabama steel workers. Ship builders import steel from South Africa to make ships in Mobile while up the road in Birmingham steel mills are laying off workers, and the KKK is outside the gates greeting the white workers who come out with their pink slips telling them that they lost their jobs to government programs of affirmative action. George Wallace was saying "no, that's not the problem! The problem, in part, is that those who used to invest in United States Steel and Bethlehem Steel are now investing in ISCOR and its slave labor market in South Africa." George Wallace supports the Free South Africa Movement.

In Chicago a few years ago, they were building a State office building with steel beams imported from South Africa, at the same time that United States Steel's Southworks Plant in Chicago, which makes the same kind of steel beams, had laid off steelworkers by the thousands. To add insult to injury, steelworkers had their savings in the Continental Illinois Bank, which was investing millions of dollars of their money in ISCOR to help this vicious system of apartheid in South Africa eliminate their jobs.

Mr. Chairman, the American people are getting fed up with apartheid, not only because of its system of social segregation and political domination that is a moral outrage, but also because it is beginning to hit us where it hurts the most: Jobs for our people.

H.R. 1460 gives us an opportunity to help do our part in dismantling this system of labor control that feeds on cheap labor and foreign investment. We are not asking for military aid to South African freedom fighters to overthrow their Government. H.R. 1460 does not force American firms and individuals to divest themselves of their holdings in South Africa. We do not wish to destroy South Africa; we want to redeem her. H.R. 1460 merely bans all new investments by American banks, firms, and individuals.

We ask your votes for H.R. 1460 today. For what we have here is primarily a moral issue. It cannot be assuaged by pious declarations that apartheid is repugnant. It cannot be left to this administration's policies of constructive engagement. It cannot be quieted by half measures that amount to little more than token moves and talk. It is time to act—in the Congress, in our State and local legislative bodies and, above all, in all of our daily investment practices.

We ask the House of Representatives today to act, to make a commitment to human rights and justice in our relations with South Africa that we have not fully made in this century. We ask you to ban all new investments by American institutions and citizens in South Africa. We ask you to ban the sale of the Krugerrand, and the sale of computers to the South African Government until the Republic of South Africa takes steps to dismantle this system of social segregation and political domination, for the purpose of economic exploitation.

An old English Methodist minister in the 18th century put it best:

> On some issues—cowardice asks the question, is it safe? And vanity asks the question is it popular? Expediency asks the question is it politic? But conscience asks the question is it right?

I ask you to vote for H.R. 1460 not because it is safe, or popular or politic to do so, but because conscience tells you that it is right.

□ 1650

Mr. WYLIE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to express my general support for the thrust of H.R. 1460, the Anti-Apartheid Act of 1985, which calls for a ban on new loans or credits to the Government of South Africa, a prohibition on new investments including bank loans in South African businesses, and a ban on the import of Krugerrands.

I would point out that all of the sanctions would terminate if apartheid is dismantled. I would, also, point out to my Republican colleagues that the prohibitions on new investment and Krugerrand imports could be waived by the President if he determines that South Africa is abandoning its apartheid policies.

I think H.R. 1460 is reflective of grassroots political activity going on in our county seats, State capitals, and boardrooms across the country. Eleven city governments and five State governments have passed legislation totally or partially pulling public funds out of corporations and banks doing business with South Africa. In my State of Ohio, for example, city councils in Cincinnati and Youngstown have passed ordinances divesting their municipalities of investments in South Africa. Last fall a majority of the Ohio Senate voted for a similar disinvestment plan, but the bill fell one vote short of the necessary two-thirds majority. The board of trustees of Ohio State University located in my district, has a disinvestment petition pending

before the faculty committee and is expected to make a decision on the issue in the near future.

I am well aware that the provisions in this bill is not likely to threaten the banking or economic system in South Africa or, for that matter, prevent other countries' banks from replacing United States banks as lenders. It is also true that other countries such as Japan, the United Kingdom, and the Federal Republic of Germany have significant commercial interests in South Africa and their firms could quickly fill gaps left by departing United States firms.

Furthermore, in the face of international sanctions on its arms and oil imports, the regime in Pretoria has shown a remarkable ability to substitute indigenous domestic production for foreign goods. Despite OPEC sanctions, South Africa is self-sufficient for four-fifths of its energy needs and its growing domestic arms industry has turned the country into a substantial net arms exporter.

Why then do I support legislation which may well have no more than symbolic value and which is not supported by this administration?

The answer has to do with the nature of South African society and the officially sanctioned discrimination inherent in the system of apartheid and is not intended to suggest a failure of the constructive engagement policy. As far as I know, South Africa is the only country in the world where racism is institutionalized by law and openly defended by its government.

While I can claim no overriding expertise in this area of foreign policy, it is my understanding that a central goal of United States foreign policy in the region has been to encourage the South African Government to end apartheid and grant official political, economic and social rights to all of its people.

Without a doubt, changes are occurring within South Africa. Black labor unions have been legalized and in 1983 there was a reduction in the number of banning orders and some relaxation in the control over the black political leadership. With the implementation of a new constitution, South Africa did give a measure of political representation to the Coloureds and to Asians; but blacks are still excluded from any political representation.

On December 4 of last year, I joined 34 of my Republican colleagues in sending a letter to the South African Ambassador in Washington expressing grave concerns about the mounting violence in South Africa and the pernicious effects of apartheid on the long-term United States-South African relationship. In the letter to Ambassador Fourie, we noted that our goal was an immediate end to the violence in South Africa and a "demonstrated sense of urgency about ending apartheid."

Since December of last year, unrest and clashes in black areas with South African police have escalated. On February 18 and 19, approximately 12 people were killed and 195 were injured in clashes between police and demonstrators at the Crossroads squatter camp near Capetown.

On March 21 of this year, South African police killed 19 blacks when they opened fire on a funeral procession marching toward the city of Uitenhage.

As the violence escalates so does the rhetoric: In January, Prime Minister Pik Botha, made yet another speech promising changes in apartheid, but the reality is altogether different. The parliament and local governments allow no political participation by black Africans. Influx control and forced group area clearance continue as do practices of detention without trial and press censorship.

In short, the internal situation in South Africa has deteriorated over the past 5 months and our present policies do not seem to be bringing about the necessary reforms.

Enactment of this bill might not bring about reforms, but at least it will symbolically affirm the commitment of Congress that we have a sense of moral obligation to do everything possible to end the abhorrent racial policies of the Pretoria regime. It also leaves the door open for a Presidential waiver if and when significant changes are made in the apartheid system.

In my view the time has come to do more than just talk about the injustice of apartheid.

Mr. MITCHELL. Mr. Chairman, I yield 3 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

□ 1700

Mr. RICHARDSON. Mr. Speaker, there is no more important human rights vote in the U.S. Congress than the one that will be taken today. There is no issue that deals with human rights and foreign policy that is more far-reaching and important. No vote.

This bill will not be equaled in the next decade in terms of the commitment of this body to racial equality, human rights, and freedom around the world.

This is an important bill because it would clearly demonstrate America's passionate commitment to racial equality, human rights, and nonviolent change. This bill would foster the friendly relations that are deeply needed between the American people and the black majority of South Africa.

It would further discourage the superpower rivalry that is being fostered by South Africa's expansionism and their racial repression.

What about this constructive engagement policy? The carrot policy that this administration has espoused so that South Africa becomes nicer has not worked. What has it brought? What have these positive South African votes at the United Nations produced? Nothing except regression. What have these many speeches of quiet diplomacy and constructive engagement brought? Nothing except perhaps worse conditions. Here is the U.S. record:

Failure to condemn South Africa's invasion of Angola in 1981. Failure to talk about repression. This is South Africa's response to the American carrot—controls limiting black Africans to access areas, to white areas, have been strengthened. Two more homelands, two more homelands since constructive engagement was announced. Urban black Africans have been further isolated. Only 18 percent of urban black Africans have any kind of educational and economic benefits compared to the rest of the population.

Since September, 300 have died in the townships of South Africa violently. Not jail, not torture, but massacred. Does this country want to stand behind the government that practices these kinds of policies? In my judgment, these sanctions are rather modest. In my judgment, these sanctions are a start, to signal to the world that this country does stand for what our Founding Fathers said: Democratic principles, human rights, peace, racial equality; voting for this bill is the least that we can do today.

There is no more important vote that we will have in this session and many other sessions for human rights and racial equality and civil rights than the vote we will take today.

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from Connecticut [Mr. MCKINNEY].

Mr. MCKINNEY. Mr. Chairman, as an original cosponsor of H.R. 1460, I rise in strong support of the Anti-Apartheid Act of 1985. The author of this legislation, Representative WILLIAM GRAY, as well as the respective chairmen of the Committees on Foreign Affairs and Banking, Finance and Urban Affairs, Representatives DANTE FASCELL and FERNAND ST GERMAIN should be commended for expeditiously bringing this legislation to the floor.

This measure has strong bipartisan support and warrants prompt approval by this House. This measure clearly is not a disinvestment bill, but in the same respect it sends an unambiguous message to the Republic of South Africa that this House finds the policies of apartheid repugnant.

The legislation establishes as U.S. policy the eradication of the institutionalized policies of apartheid. It does this by making four major changes in

our Nation's economic relationship with the Pretoria-based South African Government. First, it prohibits U.S. banks from extending loans to the South African Government or any entity owned or controlled by the Government. Second, it bans new investment in South Africa by any person. Third, it outlaws the importation of Krugerrands. And finally, it prohibits the sale of computers or computer technology intended to service computers in South Africa.

I think most Americans have read the Declaration of Independence and would agree with Thomas Jefferson when he said:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.

Likewise, I believe that most Americans view apartheid as morally wrong.

Over the past 4 years the administration has practiced the policy of constructive engagement with the Pretoria Government. The objective of this policy is to increase communication between the United States and South Africa's Afrikaner elite, to reduce its isolation and persuade it to move toward reform. Advocates of constructive engagement believe that this strategy will create a framework wherein the United States can encourage internal reforms in South Africa. These proponents point to the new South African Constitution which permits limited political participation by South Africa's Indians and persons of mixed race.

Yet while the theory of constructive engagement appears viable, in practice, it has not produced the desired results. The new multiracial Parliament is a mere cosmetic change. Today, in South Africa 5.5 million whites still decide the fate of 21.6 million blacks. Given the slow pace at which constructive engagement is moving, further actions obviously are needed to jolt South Africa into the 20th century.

That is why I urge the House to adopt H.R. 1460 in its present form. It is a necessary step to show the international community, and most importantly, the Government of South Africa, that we will not tolerate or in any way assist the indefensible policies of apartheid.

Mr. MITCHELL. Mr. Chairman, I yield 4 minutes to the gentleman from Louisiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I would like to make four quick points in favor of H.R. 1460, the Anti-Apartheid Act of 1985. I want to make these points because of criticism I've heard since introducing my own apartheid bill back in January. A bill tougher than H.R. 1460, I might add.

First of all, why South Africa? Are things really so terrible down there?

Well, I think the answer is a resounding "Yes." Apartheid is nothing but institutionalized racism that treats 22 million human beings like animals. The black majority in South Africa is denied the right to citizenship, the right to national political participation, the right to live and work where they choose, the right of free assembly. All basic human rights; all denied to black South Africans.

Forty years ago the world celebrated its victory over an evil system that judged people on the basis of religion and heritage. I think it's just as appropriate, four decades later, to speak out against a similar system that judges people on the color of their skin.

Second, why single out South Africa? Aren't there other countries just as guilty of human rights abuses?

Well, sure there are. That's why this country has imposed economic sanctions against them. Iran, Libya, Cambodia, East Germany, Vietnam, Syria, and some 12 other countries face various forms of U.S. sanctions right now. Imposing the economic sanctions outlined in H.R. 1460 would only be consistent with our policy toward several other nations. We surely aren't singling out South Africa.

Third, what about economic freedom? Wasn't America founded on economic freedom? Shouldn't American citizens be free to invest their money wherever they want?

A free marketplace is one of the cornerstones of this country. I'm a strong supporter of economic freedom and the market's wisdom.

But let's not confuse freedom with anarchy. Freedom has its limits; it comes with some responsibility.

For example, there's a 55-mph speed limit in this country. The motorist is not free to drive 90 miles an hour without suffering the consequences. Not everyone in America is free to vote in our elections; you must be at least 18 years old. The arms dealer is not free to sell to the terrorist of his choice; there are laws against that sort of thing.

Should we ship computers and high-tech equipment to Russia or some other adversary? Or should we set limits on that freedom? By the same token, should we support apartheid through investment and loans? Or should we set limits on support of a political system that treats people like animals?

It's not a question of freedom. It's a question of right and wrong.

Fourth, shouldn't we be helping an important ally like South Africa?

It's true South Africa holds strategic importance to this country. And we ought to do everything we can to ensure its stability.

But who can argue apartheid has brought stability to South Africa? Just the opposite. That country is bleeding to death. As long as apartheid exists, we're in danger of losing an ally. And as I've said before, the entire continent of Africa, not just a single country, is at stake here.

We ought to speak out against the evil that is apartheid. We ought to invoke modest, but effective, economic sanctions. We ought to approve the Anti-Apartheid Act of 1985.

This H.R. 1460 is a modest proposal. Much more could be done—or much less. At one extreme we could require disinvestment. Or at the other end we could threaten to act, but do nothing.

H.R. 1460 is the middle ground, restricting new investment, computer sales to government, and bank loans, but giving South Africa a chance to remove these burdens if progress against apartheid is made.

H.R. 1460 doesn't require perfection, just progress.

It deserves your vote. It's a beginning, not an end.

□ 1710

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH of Iowa. I thank the gentleman for yielding me this time.

Mr. Chairman, this resolution reflects broad bipartisan concerns, but I would like to make several partisan observations.

My chosen political party—the Republican Party—was founded a little more than a century ago to end apartheid in the United States.

The resolution before us today is hardly radical or the reflection of a narrow liberal concern. In principle it is fundamentally conservative, traditionally Republican, reflective of the most basic American values.

All we ask of this Republican President is that he advance a foreign policy consistent with the views of the first Republican President, Abraham Lincoln.

The Republican Party was born in the smoldering cradle of apartheid-like conditions. Like the majority in South Africa today, American blacks in the last century were not recognized as citizens and were denied the right to vote. Like the majority in South Africa today, American blacks provided the slave or cheap labor so vital to maintaining a plantation economy. Like the South African majority, yesteryear's blacks in America were denied due process of law and were often at the mercy of a court system that failed to protect and instead punished the victims of an unequal society. Like the South African majority, American blacks were precluded the opportunity of receiving the same education as whites. Finally, and most poignantly, the American slave system like South African apartheid, blas-

phemed the family—separating parents from children and husband from wife—because of a system that put profit over compassion.

What distinguishes America from all other countries in the history of the world is that we are the first Nation founded under the principle of individual rights. The greatest debate in our history revolved around whether the rights we enshrined in our Declaration of Independence would be extended to those who were not of pale complexion. That debate was carried out first in the town halls of New England and then from the political stumps of the emerging West. In the end it required sacrifice—the death in our Civil War of more Americans than the combined casualties of all the other wars in which we ever participated.

America was led a century and score ago by a conservative Republican President—perhaps our greatest—who recognized that only through emancipation could the union be saved and the cause of individual rights and dignities be advanced.

In this context we must ask ourselves whether we can continue to give lipservice to condemnations of apartheid while at the same time legitimatizing its existence through our trade.

Isn't it time to suggest that principle come before profit, that the lessons of Fort Sumter not be lost? Don't we, as the leading force in the free world, have a moral imperative to keep the quest for larger truths the most basic element of our foreign policy? Don't we have a responsibility to ennoble our ideals in this century as we did in the last?

To be true to our heritage Americans do not have the luxury of ducking this issue. Its meaning is too great; its result too important.

Mr. MITCHELL. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. RODINO].

Mr. RODINO. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise as an original cosponsor of the Anti-Apartheid Act of 1985 (H.R. 1460) to express my deeply felt belief in the necessity of this legislation and the urgency with which we must act on it.

It should come as no surprise to us in Congress that Americans of all backgrounds—individual citizens, students, members of civic groups, churches, and synagogues—are growing increasingly impatient with the South African Government and its repugnant policy of apartheid.

For the foundation of American democracy is based on a moral principle deeply ingrained in our Nation—that everyone is equal before the law. It is this principle that underlies our Constitution and guarantees our freedoms. It is this principle that fertilized the great struggles of the civil rights movement. It is this principle that separates a nation of laws from a lawless nation.

Yet this same principle is subverted today in South Africa, where the constitution enshrines a system of injustice that undermines the very ethic of equality that the law is supposed to embody.

So how do we, as a law-respecting Nation, respond? How can we both encourage change and at the same time eliminate our complicity with this abhorrent system?

This bill, the Anti-Apartheid Act of 1985, is an appropriate beginning. For it addresses most directly the economic credibility of the regime. With this bill, America can begin to dismantle what former South African Prime Minister John Voerster used to call "the bricks and mortar on which South Africa is built"—foreign investments.

This bill bans new investments in South Africa, bank loans to the South African public sector, the sale of krugerrands, and the sale of computers that have been so central to the implementation of South Africa's notorious pass laws. Since only new investments would be prohibited, the bill will not jeopardize existing jobs. And since less than 1 percent of the black labor force is employed by American firms anyway, few jobs could be jeopardized.

Although this is not a disinvestment bill, its message is clear: Americans no longer intend to subsidize apartheid, and we are willing to apply the type of pressure that will encourage political negotiations to achieve a just system by peaceful means. We must act before it's too late, while the nonviolent movement remains strong. As Bishop Tutu said recently, people must become aware "that it is not merely financial decisions that are being made. It is decisions that have to be made on moral principles." As a Nation, we have no choice but to make the moral decision.

I am reminded of the words of Martin Luther King, which he wrote in the Birmingham jail in 1963 during the sweltering days of the civil rights movement, when this Nation's values and principles were being sorely tested: "We will have to repent in this generation," he said, "not merely for the hateful words and actions of the bad people but for the appalling silence of the good people."

Mr. Chairman, one can only characterize as "appalling silence" the administration's policy of "constructive engagement." With incidents of brutal violence and destruction continuing without interruption, with black funerals not even immune from the strong arm of the outlaw police, I believe that we in America can have only one course of action: To open our eyes, end our appalling silence, and speak out as a Nation with legislation that can have an impact. Every day that we do nothing, the situation in South Africa grows worse. Now is the time to act. We must pass the Anti-Aparthied Act of 1985.

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to H.R. 1460, and before any of you make the judgment that I am an extremist or perhaps a bigot, let me assure you that I do not take this position lightly. I indeed do oppose apartheid, in fact, I oppose racial discrimination in any form, in any place, no matter where it may be found or practiced.

I personally subscribe to the ideal that we are all the children of a common creator, and for that reason, we are entitled the same rights, the same degree of human dignity, the same respect; and I do deplore what has been the policy in South Africa.

In my estimation, as I have analyzed this bill, I believe it falls far short of the mark that we are attempting to achieve here this afternoon. It may well provide some balm for bruised egos; it may well provide some very good political fodder to be spread around back home, but as an instrument of policy for the United States to pursue, I suggest, Mr. Chairman, it is not a sound vehicle.

It seems to me that here in the House of Representatives we are gripped by a certain psychology that impels us from time to time to lash out and to address areas abroad that we have not been able to control effectively here at home. A few weeks ago in this Chamber we adopted a resolution very critical of one of our trading partners, the nation of Japan. Again I believe, superficially, there was good reason for that resolution. There is no doubt that Japan has been very slow to open her markets to our exports and other goods.

But every economist and serious analyst of this problem has said that much of this trade imbalance has been caused by the effects of a strong dollar overseas. Now maybe that strong dollar situation has been good or bad; it depends on how it is viewed. But for the purpose of fomenting a trade imbalance, it was bad.

Again, the strong dollar, we know, has been caused by the U.S. budget deficits that have been repeated year after year. Therefore, Mr. Chairman and Members, the answer to this trade dilemma was in our hands.

□ 1720

Yet, frustrated by our inability to either seek that answer or to apply it here in the House, we lashed out against an ally, and we took a measure of solace to our own shortcomings by adopting that resolution.

Today, as we have historically in this country, we do face racial discrimination. I, for one, and I am sure all Members in this Chamber would agree, wish that we could wipe out all vestiges of racial discrimination in our society. While we have made progress in that regard, we have not totally solved the problem. But maybe we have lost some of that momentum of late, and so now, again, there is another temptation before us to lash out at another ally, in this case South Africa.

I suggest, Mr. Chairman, that the better answer would be for us to redouble our own efforts to solve racial discrimination here at home, and to do so systematically and thoroughly. We could thus set an example for the entire world, demonstrating what freedom of opportunity and equality which the United States has always stood for can mean to a free and unprejudiced society.

Our experience has shown that to achieve such goals takes time, patience, a great deal of work, and an application of diplomacy. I suggest, Mr. Chairman, that these are the very qualities that must be applied to South Africa. I think we can help South Africa most by applying the Sullivan principles, for example, and not by resorting to any kind of punitive efforts such as would be inherent in the passage of this legislation.

Finally, Mr. Chairman, no one would deny that we, as Americans, must oppose apartheid as a deplorable violation of racial equality and human justice.

Mr. Chairman, I firmly believe we have a responsibility to support democratic development wherever it is threatened, whether in South Africa, Central America, or Afghanistan. The means of supporting democratic change, however, must be designed to address each unique situation most effectively. In the case of South Africa, I believe a policy of economic and diplomatic exchange, not boycott and isolation, can provide the best foundation for a stable and long-lasting transformation of South African society.

Although, technically, the bill before us is not a call for total U.S. disinvestment from South Africa, the effect, I believe, of H.R. 1460's provisions would eventually be the same. By banning new investment, including loans to enterprises, this legislation places U.S. businesses in South Africa under a state of siege and denies the positive role that U.S. business can play in encouraging the elimination of apartheid. In my view, the contributions of U.S. firms to improving the economic welfare and advancement of South African blacks have been significant. American companies which adhere to the Sullivan principles employ 70 percent of all workers in U.S. firms, providing opportunities for training, advancement, education, and housing to their employees and playing an active role in the community. In my opinion, the active involvement of the Sullivan signatories, by improving the economic standing of the black population, provides blacks with a stronger basis from which to fight for political change. As an article entitled "Fighting Apartheid" in the March 30 issue of the Economist aptly stated, "Economic growth implies change and change threatens any established order. American investment, biased as it is towards the innovative sectors of the economy, is an engine of that change."

An evolutionary pattern of change, one that we can expedite through firm, consistent diplomatic pressure on the South African Government and through support for the efforts of Sullivan signatory firms, will better serve the interests of democracy and stability in the southern African region. H.R. 1460, by proposing a ban on loans to the South African Government, on the sale of computer goods and technology to the government, on new investment, and on the importation of Krugerrands into the United States, seeks to impose severe economic pressure on the South African Government, which, if successful, will have the most immediate and devastating impact on those we aim to help. Furthermore, this economic hardship could easily enflame an already tense situation, erupting into violence that could spread beyond South Africa's borders and spur the intervention of outside powers. I cannot help but question, Mr. Chairman, the potential for establishing under such conditions a strong, stable, and fully participatory political system—the goal that we all seek for South Africa.

Mr. MITCHELL. Mr. Chairman, I yield 2 minutes to the gentleman from the Virgin Islands [Mr. DE LUGO].

Mr. DE LUGO. Mr. Chairman, I rise in support of H.R. 1460, Mr. GRAY's bill to impose sanctions on South Africa of which I am a cosponsor. The situation in that country is deteriorating. The violence, fear, and persistent unrest force us as a Nation to face the fact that we can no longer stand by and hope that our passive disapproval of apartheid will make an impression. "Constructive engagement" has not yielded the necessary results. The message from Black South Africans is loud and clear: "Apartheid is intolerable". If we accept the humanity of Black South Africans, the message should be one that we can understand and address.

My colleague from Michigan, Mr. SILJANDER, in a "Dear Colleague" letter has suggested that Mr. GRAY's proposal is demagoguery, and that it will only lead to a bloody revolution. But the proposal is designed to avoid such a reception by increasing the pressure for change without disrupting existing investment in South Africa. I am not certain that the violent revolution Mr. SILJANDER anticipates is avoidable. I do believe that without this type of substantive, support violent revolution is inevitable.

Mr. SILJANDER has made some excellent proposals which I believe would complement H.R. 1460. Specifically, his "Dear Colleague" of May 6, 1985, suggests making the Sullivan principles mandatory for all American companies, increasing the human rights revolving fund to $2 million, assist black labor unions with $1.5 million through the National Endowment for Democracy, provide $15 million in scholarships for black South Africans, allow OPIC credits for joint ventures between U.S. firms and nonwhite owned South African firms, and establish a commission to monitor the abolition of laws which provide the basis of the apartheid system. I believe that instead of an amendment in the nature of a substitute, as Mr. SILJANDER proposes, these should be added to the sanctions that H.R. 1460 would impose.

If this country's commitment to human rights and democracy are to be believed, we must be consistent. This means that we cannot support the economy of South Africa, and hope that our moral indignation alone will pave the way to change. H.R. 1460 is a modest, but well balanced, proposal in support of a peaceful transition in South Africa. We must do no less.

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. WORTLEY].

Mr. WORTLEY. I thank the gentleman for yielding this time to me.

Mr. Chairman, the question before us today is not apartheid. Everyone agrees that apartheid is unjust, immoral, and inhumane. We are not debating whether or not apartheid should be abolished or whether or not U.S. policy should be directed at its abolishment. We are all agreed. It should be abolished, and we should follow a policy that promotes its abolition.

I think we are also agreed that our policy should foster peaceful, evolutionary change rather than violent, revolutionary change. Inevitably, the ones caught in the violence of revolution would be those whom we seek to help: the poor, black, colored, and Asian people of South Africa. If change can be brought about without revolution—and I believe it can be in South Africa—it should be.

The question before us today is how the United States can best achieve its policy goals of observance of human rights, dismantlement of apartheid, and peaceful change. The bill before us today would use economic sanctions to promote change. The range of

amendments to H.R. 1460 clearly reflects the widely diverging views.

I would like to emphasize that no United States policy should reward the South African Government. But neither should we threaten the progress—slow as it may be—that is being made in South Africa.

Because the emphasis today is on economic sanctions, it is useful—even vital—to consider the effectiveness of economic sanctions in influencing policies of foreign governments in a positive way.

The evidence of precedent indicates that economic sanctions are a questionable means of positive influence. More often than not, they cause a government to intensify the policies the sanctions were intended to discourage. Based on past experience and the characteristics of an influential group of Afrikaaners, economic sanctions would provide a rationale for entrenchment of apartheid and an opportunity to convince many white South Africans that change is dangerous rather than the only hope for avoiding violence and revolution. This may well promote eventual revolutionary change, but I do not believe this is or should be our goal in South Africa.

U.S. economic interests in South Africa are unquestionably extensive enough to be a force in South African politics. The question is will we continue to use and expand upon this potential as a positive force for change, or will we reduce our influence by restricting U.S. involvement in the South African economy? Economic sanctions would not break the South African economy, but they would reduce drastically U.S. influence in South Africa.

U.S. economic involvement in South Africa to date has a good record for promoting progress. U.S. business, organized labor, and government policies and efforts were key factors in the South African Government's acceptance of black trade unions, which are a major force for change in South Africa.

Companies who are signatories to the Sullivan principles or who have adopted similar standards also have done a great deal to improve the position of nonwhite South Africans and promote evolutionary change.

About 75 percent of the South African workers who work for a U.S. company work for a signatory to the Sullivan principles.

Ninety-nine percent of the signatory companies report desegregation and 100 percent report equal pay for equal work.

In addition, from 1977 to 1983, Sullivan signatory companies have invested $78 million in projects for nonwhite South Africans. For example, dollar contributions for black employees in education and training programs increased from $3.6 million in 1982 to $6.0 million in 1983. In 1983, U.S. companies also contributed $2.8 million for education and training programs for blacks who were not employees, and they contributed $4.2 million to support black entrepreneurship.

It has been argued that such positive influence and the engagement policy of the Reagan administration should be made more intrusive rather than negated through economic sanctions. At this point I would like to submit an editorial from the Economist of March 30, 1985. This editorial argues that the Sullivan and European Community's codes of good employment practice should be extended to cover all foreign employers in South Africa with the aim of directly confronting economic apartheid. We know that economic leverage by a group within a society provides that group with political leverage. We should be working to increase the economic leverage of black and nonwhite South Africans.

FIGHTING APARTHEID

What can be done about South Africa? The shootings at Uitenhage on March 21st are yet another rebuff to those inside and outside the country who claim that apartheid is crumbling and that South Africa should now be given "the benefit of the doubt". In themselves, the shootings were an apparently random act of police indiscipline: despite Sharpeville and Soweto, the Afrikaners have yet to learn that it is incompetent policemen rather than evil communists who are the recruiting sergeants of rebellion. Yet the shootings—and the lame excuse used by President Botha to explain them away—should remind the world that South Africa's security machine is not as the government boasts, the shield behind which reform is being expedited. It is an ever higher stockade, lulling the Afrikaners into a belief that real reform can be postponed.

South Africa is still unlike to erupt into full-scale civil war. Those who react to every riot and every act of repression by predicting holocaust are wrong. They tease black South Africans with a false dawn and distort western policies entended to confront apartheid.

The latest distortion is represented by the current disinvestment and sanctions campaign in America. This is intended to bring about an upheaval in the South Africa economy and thus, by some unexplained process, lead the government in Pretoria to abandon apartheid. The evidence, both from other countries subjected to economic sanctions and from South Africa itself, suggests that it would not achieve those goals. It would more probably strengthen the isolationist strain in Afrikanerdom, and its conviction that it stands alone against an ungodly world. It would not break the economy, though it would make life a little harder in a region debilitated by drought and incompetent management (most of all in those neighboring states increasingly dependent on South Africa).

STAY IN THERE

Those, including The Economist, who disagree with this policy must say what they would put in its place. The "constructive engagement" pursued by the American government since 1981 has offered South Africa the carrot of American friendship as the best way of persuading it to change its ways. It is hard to argue (see our study on pages 17-34) that it has achieved very much. Its ineffectiveness has disillusioned South African blacks. It has comforted the whites who believe that America under President Reagan will always accept apartheid so long as it can be presented as a bulwark against communism.

Yet it was the overselling of constructive engagement by the Reagan administration that was wrong, not the concept of engagement in itself. This should now be reapplied to the struggle against apartheid where it matters, within South Africa itself. All the posturings at the United Nations, on Massachusetts Avenue or in Trafalgar Square have not done half as much for black advancement as the steady industrialisation of South Africa, much of it through foreign capital and foreign managerial contact. The black struggle has drawn most of its support from just those areas in which foreign companies have been most evident, the industrial districts of the Vaal triangle and the eastern Cape.

Such engagement should now be made more intrusive, not neutered by the empty gesture of disinvestment. The Sullivan and EEC codes of good employment practice can be extended to cover all foreign employers in South Africa; if need be, the companies can otherwise be denied government contracts back home. The aim should be a direct confrontation with economic apartheid: the controls on labour mobility, on black promotion and on housing location. There should be continued pressure to spend on community programmes, student exchanges, education and training, and most important on black trade-union advancement. Such freedoms as still exist in South Africa should be guarded and exploited through international contact and publicity: freedom of the press, of culture, of academic exchange, of the legal profession. The habit that too many cultural and academic institutions have fallen into of boycotting South Africa is a denial of the power of imagination and thought to change minds and bend policies.

These are ways in which liberal and capitalist organisations can, in the course of their normal business, assist the process of change inside South Africa. The aim is to give blacks the economic confidence to force political concessions out of the white government, as they have already done on the union front and may soon do in local government. This, within the limits of what is feasible, is the proper way to confront apartheid—not just to walk away from it.

Mr. DE LUGO. Mr. Chairman, during the course of the public debate on apartheid and U.S. policy, a great deal of emphasis has been placed on black South African attitudes toward U.S. policies and economic investment. Contrary to popular belief, there is no black consensus about how to end apartheid. Black South Africans are far from being a homogeneous or unified group. As a helpful resource in understanding the goals and tactics of various black organizations, I would like to submit for the RECORD at this point "A Guide to Black Politics in South Africa," published by Georgetown's Center for Strategic and International Studies.

[From Africa Notes, Georgetown University Center for Strategic and International Studies, Nov. 5, 1984]

A GUIDE TO BLACK POLITICS IN SOUTH AFRICA

(By Steven McDonald)

Under the terms of the new constitution approved by the white electorate in November 1983, South Africa's whites-only legislature was replaced on September 3, 1984 by a parliament consisting of the incumbent 178-member House of Assembly representing South Africa's 4.5 million whites, a newly-elected 85-member House of Representatives for the country's 2.7 million Coloureds (mixed race), and a newly-elected 45-member House of Deputies for the Indian (i.e. Asian) population of some 870,000. The constitution makes no provision for parliamentary representation of the country's 22 million blacks. P.W. Botha, who was sworn in as the Republic's executive president on September 14, after receiving a unanimous vote from an electoral college appointed by the new tricameral parliament, has gained a number of powers beyond those he held as prime minister. These include the right to decide (immune from challenge in the courts) what matters are and are not the "own affair" of any of the three ethnic houses of parliament or a shared "general affair" of the nation. President Botha also has the authority to veto any legislation passed by any house of parliament.

Ironically, the new constitution has caused rifts within and between the white, Coloured, and Indian communities while having an opposite effect on the black majority it ignores. Although an unexpectedly high proportion (66 percent) of white voters approved the arrangement in the 1983 referendum, the Coloured and Indian electorates were less enthusiastic. In parliamentary elections held in late August in those two communities, the official turnouts were just over 20 percent and about 30 percent respectively of registered voters. Moreover, the voting was accompanied by protest demonstrations and school boycotts (at one point 630,000 Coloured students were out of classes). Government officials have blamed intimidation as well as a lack of organization and of "democratic traditions" for the low voter turnout.

Black South Africans, on the other hand, have rallied against the constitution, forging an unparalleled degree of unity on this issue and achieving some notable success in protest politics as they urged their Coloured and Indian compatriots to stay away from the polls. Of course, the durability of this new communality is debatable for a number of reasons—notably, its focus on a single issue, the formidable coercive powers of the South African government, and the government's demonstrated willingness to use these powers (see Section 9 below, and "Destabilization and Dialogue: South Africa's Emergence as a Regional Superpower" by John de St. Jorre in CSIS Africa Notes no. 26, April 17, 1984). Meanwhile, the new restrictions imposed on the freedom of action of externally-based forces of black South African nationalism by the Nkomati Accord and other regional "nonaggression" pacts have also created new pressures and challenges for internal black activists across the political spectrum.

The following is a summary assessment of the organizational structure of black power in South Africa as of the latter half of 1984:

1. THE AFRICAN NATIONAL CONGRESS (ANC)

The ANC is the oldest nationalist organization in sub-Saharan Africa. Its roots go back to early pan-Africanist and nationalist thinkers of the late nineteenth century, many of whom were educated in the United States. Organizationally, it developed from the South African Native Convention which met in 1909 to protest the terms of the draft constitution for South African union following the Boer War. The Convention's protests were ineffective and, in frustration, the South African Native National Congress—subsequently renamed the African National Congress—was formed in 1912.

The ANC's early philosophy was moderate, indeed almost archaic, compared with its present profile. It was founded by professional, middle-class Africans who focused on, according to its 1919 constitution, the use of "resolutions, protests . . . constitutional and peaceful propaganda . . . deputations [and] enquiries" to reach its objectives. These objectives were clearly evolutionary, ranging from demands for "equitable justice" in the 1909 Convention to the All-African Convention's call in the 1930s for "reconsideration" of unjust laws and protests of the removal of Africans from the voters' rolls in Cape Province. The ANC of that era was willing to accept a qualified franchise for blacks based on "civilized" factors such as education, property, or wage qualifications and it expressed its understanding of and concern for the protection of white interests.

Over the years the ANC inexorably moved toward a greater radicalism, from early petition to protest to defiance, then to underground insurgency, banning, and exile. This escalation was due to growing frustration over a lack of any results from peaceful and legal protests (e.g., the failure to block the removal of Cape Africans from the voters' rolls in 1936). The ANC was also stimulated by the post-World War II idealism (in particular the self-determination principles of the Atlantic Charter) and stymied by the coming to power of the Afrikaner-based National Party in 1948 and the implementation of apartheid that followed.

The ANC's 1952 "Defiance Campaign" was the first mass civil disobedience campaign in South Africa. Another effort to broaden the ANC's base was the Congress Alliance, which brought together Indian, Coloured, and white organizations in protest against growing government repression. Certain individual African members of the South African Communist Party (SACP) had participated in the ANC since the 1920s, but played no formative role in its organization. After the SACP was banned in 1950, more white and Indian communists began to involve themselves through the broadening Congress Alliance. The Defiance Campaign itself was an outcome of a decision, initiated largely by the newly-formed Youth League, to begin a program of mass action. The Freedom Charter, issued by the Alliance in 1955, resulted in growing harassment, bannings, and detentions by the government. Thousands of arrests took place as anti-passbook marches, protests, and boycotts increased in number. The long-running Treason Trial of 1956–61, in which 156 persons were charged but ultimately acquitted, was a central event in this era of borderline legality for the ANC.

Following the Sharpeville confrontation in 1960, in which police fired on a nonviolent demonstration, killing 67 Africans and wounding 186, the ANC was banned and went underground. In 1961, its leadership, along with some white and Indian communists, formed a paramilitary sabotage unit called Umkhonto we Sizwe ("Spear of the Nation"). In 1962 and 1963, the Umkhonto leadership, including Nelson Mandela, was arrested. By the end of 1964 the bulk ANC leadership was either in detention or in exile.

For the past 20 years, the ANC has directed its activities from headquarters in Lusaka (Zambia), and has also maintained offices in London, New York, and several other countries. The first decade of its exile was relatively quiescent. By the mid-1970s, however, a low-key insurgency campaign had been launched, consisting mainly of sabotage and attacks on government installations that resulted in only a few fatalities. In the 1980s, the campaign has been stepped up, becoming more sophisticated and exacting a higher death toll.

The sabotage action against the Koeberg nuclear power station in December 1982 and at the SASOL coal conversion plant in June 1980; attacks on police stations and government offices; and the May 1983 car bombing outside air force offices in Pretoria (at least 18 deaths and 217 injuries) added up to a clear new trend. Guerrilla activities have occurred in all of South Africa's four provinces and in most major urban centers, including Johannesburg, Durban, Bloemfontein, Cape Town, and Pretoria. By these diverse actions, the ANC has sought to demonstrate an ability to strike anywhere and to penetrate sophisticated defenses of critical installations. A rash of bombings throughout the country, concentrated around the month of the Coloured and Indian elections, as well as a major attack on the Mobil refinery in Durban in May 1984, have been intended to send a message. This message is that the "nonaggression" pacts South Africa has signed with Mozambique and Swaziland, and seeks with others, all involving denial of "bases" to the ANC, will not end the movement's effectiveness.

The ANC has always been identified by its adherence to nonracialism in its campaign for political rights in South Africa. The Freedom Charter, which enshrines its basic philosophy, advocates a "South Africa which belongs to all who live in it, black and white." The leadership has publicly spoken against racial confrontation and consistently calls for a "new nonracial democratic South Africa." An irony of this nonracism is that the presence of whites within the ANC command structure, seen by some as an indication of the organization's broad appeal, feeds the South African government's belief that the movement is dominated by the South African Communist Party and by the Soviet Union.

Individual communists within the party hierachy have considerable influence and played a role in moving the ANC from peaceful protest to greater activism. Since its exile, the movement has received the bulk of its weaponry and much of its training from the Soviet Union and other Eastern bloc nations, a familiar pattern in African and Third World nations confronting minority or colonial ruling groups. (For a discussion of current Soviet views of the ANC, see "New Trends in Soviet Policy Toward Africa" by David E. Albright in *CSIS Africa Notes* no. 27, April 29, 1984, pp. 7–8.)

In sum, the ANC receives more international recognition and media attention than any other black South African organization. The ANC's ability to shape and influence events inside South Africa beyond the pressures exerted through its sabotage campaign, however, will be dependent on internal black perceptions of its various parts;

the character of other emerging internal organizations; and the coercive and cooptative powers of the South African government.

2. THE PAN-AFRICANIST CONGRESS (PAC)

The PAC was formed in 1959 by a group of ANC members who were uncomfortable with the vague socialism and multiracial approach of the ANC. The thrust behind the PAC's formation derived in part from black suspicions of Indian and white communist activists and their external connections, but the underlying theme of the new movement was a purified form of African nationalism. The founders viewed the ANC Freedom Charter as a betrayal of that principle. While rejecting white alliances, the PAC was also strongly anticommunist. Many members of the ANC Youth League, which had also been urging a more nationalist line, moved into the PAC over time.

The PAC's founder-leader was Robert Sobukwe—imprisoned in 1960, later released but banned in Kimberley. An intellectual who practiced law after his release, Sobukwe strongly influenced the founders of the Black Consciousness movement (see below). When he died of cancer in 1978, the funeral in his home of Graaff Reinet was attended by hundreds of Black Consciousness adherents as well as old-line nationalists of the PAC and ANC.

After their post-Sharpeville banning, the PAC and the ANC formed an alliance called the South African United Front. This quickly fell apart, however, due to various ideological and personal conflicts. Since then, the PAC, unlike the ANC, has not been able to organize effectively outside South Africa. It has an external structure, with offices in New York, London, Dar es Salaam, and other African capitals, but, especially since Sobukwe's death, has had a weak leadership marked by dissension, including assassination. The PAC has nonetheless maintained considerable support within South Africa, and occasionally launches guerrilla operations, although not on a scale comparable with those of the ANC. The movement has undergone something of a resurgence recently in the general rise of black activism against the new constitution.

3. THE AZANIA PEOPLE'S ORGANIZATION (AZAPO)

AZAPO is the political home of the "Black Consciousness" movement and the heir to the organizations that were banned by the government in 1977. Black Consciousness is more a philosoply than an ideology and, while it has always had organizational ramifications, it was never an organization as such. It grew intellectually from the same roots as Pan-Africanism, Negritude, Black Pride, and Black Power. Its development followed a Black Theology group in South Africa strongly influenced by Americans such as Jim Cones and Martin Luther King, Jr.

Black Consciousness began to emerge as an identifiable philosophy in the late 1960s, reaching its peak of public recognition and organizational adherence in the early to mid-1970's. Over time, Steve Biko became its best-known spokesman, although he was only one of many who helped to form and continued to develop the philosophy. Barney Pityana, Ben Khoapa, Mokethi Mothlabi, Mamphela Ramphele, Thoko Mbanjwa, Drake Koka, Saths Cooper, Malusi Mpumlawana, and many others played important roles in the movement.

Organizationally, Black Consciousness surfaced first in such student groupings as the South African Students' Organization (SASO) and the South African Students' Movement (SASM)—partly in reaction to white students' groups' efforts to broaden their representation among black students. The political arm, the Black People's Convention (BPC), was formed in 1972 to provide "a political home for all Black people who could not reconcile themselves to working within the framework of separate development, and to promote black solidarity." One of the principles of Black Consciousness was self-help and, accordingly, organizations such as the Black Community programmes, the Ginzberg Education Fund, the Zenophile Clinic, and other community, health, educational, and agricultural schemes were established.

Black Consciousness is generally perceived today, by both its detractors and proponents, as a radical, racially exclusive philosophy. Its roots lie with the PAC rather than the ANC. Current adherents eschew alliances with multiracial groups. Black Consciousness' original philosophy seemed to suggest a less exclusivist policy, focusing on black pride and development and promoting a liberation sequence, i.e., independence of person, then community, then nation. Although it was revolutionary in the sense that it challenged the existing social, economic, and political orders, it was not intended as a denial of a role for whites. Biko saw few whites as potential allies, but he also took the position that "Blacks have had enough experience as the objects of racism not to wish to reverse the tables." Black Consciousness, he said, was "the affirmation of black humans that emancipates black people from white racism and thus provides an authenic freedom for both . . . it affirms the humanity of white people in that it says *no* to white oppression."

Almost all of the early Black Consciousness organizations were banned in 1977, along with most important Black Consciousness leaders. Black Consciousness was once more represented by a political organization, however, with the formation of the Azania People's Organization (AZAPO) in 1978. Created in Soweto by former members of the Soweto Student Representative Council and the BPC, ASAPO had a low profile during its first years, except for the national attention it received when it worked with Father Patrick Matelengwe and family members in planning the arrangements for Robert Sobukwe's funeral in 1978. There were strong Black Consciousness overtones in the funeral proceedings and an incident having to do with an effort by Chief Gatsha Buthelezi to speak almost resulted in serious harm to the Zulu leader of Inkatha (see Inkatha, Section 4).

Although AZAPO had none of the known Black Consciousness leaders of the SASO/SASM/BPC period within its executive, it became the standard bearer for the philosophy of these groups and has developed a new cadre of leaders as well as bringing old Black Consciousness types back with the formation of the National Forum (see Section 6).

4. INKATHA YENKULULENKO YESIZWE (INKATHA)

Inkatha is a Zulu cultural organization founded in 1928. Its name means a woven grass ring used by peasant women to cushion loads carried on their heads; figuratively, it denotes the cushion between the people and their burdens. The movement remained obscure for nearly half a century until Chief Gatsha Buthelezi revived it in 1974 to sidestep legal repression of political activity. The constitution adopted in 1975 describes Inkatha as a "national cultural movement" that "desires to abolish all forms of discrimination and separation." In more political terms, Inkatha aims to span tribal and urban-rural divisions and to bring change in an "orderly and controllable fashion which will lead to a liberated South Africa which is governable." Although Buthelezi is the chief minister of KwaZulu, the government-designated Zulu homeland, he and Inkatha reject homeland independence and stand for a central, unified South Africa. Inkatha opposes the new constitution and calls for "a national convention" of blacks and whites to discuss the country's future.

Inkatha currently claims over 750,000 dues-paying members, making it the largest black organization in South Africa's history. It is very well organized, with a military-style hierarchy and discipline. It has a Central Committee, chaired by the movement's president (Buthelezi), and regional branches, including township outlets throughout the Transvaal. In KwaZulu (a 12,000-square-mile cluster of land parcels in Natal province), Inkatha has branches operating in most communities, including youth groups in schools and a Women's Brigade. The urban branches are not as tightly controlled, although meetings in Soweto, outside Johannesburg in the Transvaal, are well attended.

Inkatha says it is open to all black people and claims a large multi-ethnic following throughout the country. Secretary-General Oscar Dhlomo recently stated in an interview published in the quarterly *Leadership SA* (Vol. 3, no. 1, 1984) that 40 percent of Inkatha was non-Zulu as early as 1978, and cited an opinion poll result to support that claim. In the same interview, on the other hand, Dhlomo observed that the Zulus are the largest ethnic group in South Africa, that Zulu-dominated Natal is Inkatha's base, and that the organization is thus predominantly Zulu. On balance, despite its aspirations, Inkatha remains essentially a Zulu entity.

Criticism of Inkatha is varied and emotional. Many observers see it as a personal vehicle for the political aspirations of Chief Buthelezi and claim that it would cease to exist without his presence. It is also criticized for using "strong-arm" recruiting tactics in KwaZulu. Many fear its militaristic image, strengthened by Buthelezi's threats against his opponents. The killing of five students at the University of Zululand in October 1983 by Inkatha "impis" during campus protests and clashes added credibility to the concerns of Inkatha's critics.

Buthelezi has a "thin skin" and does not take criticism in stride, thus making Inkatha's attempts to seek a broader constituency and tactical alliances more difficult. Nevertheless, Inkatha stresses black unity and Buthelezi is personally sensitive to that need. In 1976, he formed a group called the Black Unity Front consisting of the leaders of other homelands which had rejected independence and of the (Coloured) Labour Party. The Black Unity Front was expanded in subsequent years to include the (Indian) Reform Party and was renamed the South African Black Alliance. Under its new rubric, this attempt at unification foundered when the Labour Party opted to participate in the elections under the 1984 constitution. Inkatha has now established an alliance (the South African Federal Union) with black businesses, church, and homeland leaders brought together by their shared opposition to the new constitution (see Section 7 below).

Inkatha's relations with the ANC were quite cordial until 1979. Differences in the past five years have centered on Inkatha's rejection of violence and Buthelezi's position of opposition to foreign divestment or disinvestment from South Africa as well as other sanctions. During the early 1980s, personal animosities further weakened the ANC/Inkatha relationship. There was some early contact between Inkatha and the United Democratic Front (see Section 5 below); since the University of Zululand incident and Buthelezi's unwillingness to criticize or investigate it, however, links have been broken and the two groups are openly hostile to each other.

Yet Buthelezi remains a charismatic and dynamic leader, heading a large and powerful organization which, as he likes to emphasize, is self-supporting financially. Because Inkatha is indisputably well-organized, it has an enormous potential for contesting local elections or promoting strikes, boycotts, or work stayaways. Buthelezi is also an eloquent spokesman for black South Africa. Even Steve Biko, who strongly criticized Buthelezi's motivations and tactics, once said to me: "After all, Buthelezi is black. He knows and lives the problem and can tell the story"

5. THE UNITED DEMOCRATIC FRONT (UDF)

The UDF is the broadest-based of the new political movements. Ideologically, it bears comparison with the ANC; organizationally, it resembles the Congress Alliance of the 1950s. Its birthdate is the year 1983, but its ideological roots are much older.

The UDF has attracted disparate groupings that have ties to the ANC but are uncomfortable with the ANC's exile status or its open advocacy of violence. The UDF has also acquired adherents from among blacks uncomfortable with the post-banning radicalization of the Black Consciousness movement, and with the fact that no internal organization spoke for those who eschewed the exclusivist racial approach but still considered themselves "progressive" and anti-apartheid. (In 1979, for example, at a conference held by the Azania People's Organization [AZAPO], a student wing was formed called the Azania Students' Organization [AZASO]. Black Consciousness was, of course, the central theme for its information, but subsequent attempts to form campus branches ran into difficulties and AZASO began to diverge ideologically from its parent. AZASO's then-president, Joe Phaahla, stated that "a number of students were not prepared to affiliate with a dogmatic approach" and, in 1981, AZASO broke with AZAPO, stating in its new charter that it embraced a broader, nonracial, more progressive outlook. By 1982, AZASO was seeking "to forge links with all relevant organizations concerned with the liberation of the oppressed and exploited people of South Africa [but] to continue to spread the nonracial gospel." AZASO later played a role in the formation of the UDF.)

The UDF seems to have begun to coalesce at a Johannesburg meeting in May 1983, at which 30 organizations representing trade union, civic, and church groups, along with AZASO, came together. The moving forces behind the Johannesburg meeting were the Transvaal Indian Congress, the Transvaal Anti-President's Council Committee, and the Anti-Community Council Committee. This meeting was, in part, inspired by a February 1983 speech by Dutch Reformed Church (Coloured) leader Dr. Alan Boesak, also currently the president of the World Alliance of Reformed Churches. Dr. Boesak had invited various organizations, including sports and civic bodies, to come together for "the struggle for a nonracial, open, democratic South Africa, a unitary state in which all the people will have the rights accorded them by God."

Although the UDF began to take shape in the Transvaal, its appeal rapidly became nationwide. Former ANC supporters and whites, Coloureds, and Indians, as well as Africans not comfortable with the tight ideological parameters of Black Consciousness, rallied to its banner. It was officially launched as a national movement at a convention in August 1983. Some 7,000 to 12,000 persons (estimates vary) representing over 400 diverse organizations met in Cape Town's Coloured township of Mitchell's Plain and pledged to fight "side by side against the government's constitutional proposals and the Koornhof bills." The latter were a set of parliamentary proposals relating to the pass laws, black residential rights, and township municipal powers. The UDF demanded a "true democracy [for] all South Africans" and "a single, nonracial, unfragmented South Africa . . . free of Bantustans and Group Areas."

The front's declared founders and patrons read like a "who's who" of black and white activists over the years, with a strong ANC flavor. They included Nelson Mandela, Walter Sisulu, Helen Joseph, Govan Mbeki, and Dennis Goldburg as patrons and Archie Gumede, Albertina Sisulu, and Oscar Mpetha as presidents.

Focused on the specific objective of opposing the new constitutional proposals, the UDF outlined a strategy of organizing, mobilizing, and educating to create unity among its followers and "to represent their views and aspirations." Organizationally, the UDF has a National General Council, but is decentralized into at least five regional bodies. It is essentially an umbrella organization. Individuals do not join directly but only through an organizational entity. Membership is claimed to be as much as one million people affiliated to 560 organizations.

The UDF actively lobbied among whites against the "yes" vote prior to the November 1983 referendum on the constitution; successfully campaigned against black participation in the December 1983 municipal council elections, holding the turnout down to some 10 percent in several townships country-wide; has regularly held rallies and distributed literature on such occasions as the anniversaries of the Sharpeville shootings and the Soweto-sparked upheavals of 1976; has spoken out on issues such as the Strydom Committee's recommendations on the Group Areas Act and on relocations; effectively mobilized (the government says through intimidation) opposition to the participation by Coloureds and Indians in the August parliamentary elections; and, during the election and post-election unrest in several black townships, organized medical, legal, and nutritional assistance for victims.

The UDF has also appealed to the international community for recognition and publicity. Dr. Boesak frequently travels abraod and speaks often about the UDF. In April 1984, the UDF Trnnsvaal general secretary, Mohamed Valli, went to the United States, Canada, and Europe, and visited the United Nations, in search of "moral [and] political support [to] strengthen our hand internally."

Much of the UDF's rhetoric comes from the ANC Freedom Charter, which, ironically, the South African government has recently allowed to be distributed in the country. Although the UDF openly claims connection with many ANC members and includes in its ranks the Release Mandela Campaign group, statements made for public consumption by UDF officials disclaim any ANC organizational ties. There are differences with the ANC on a number of points—most notably over the use of violence—and some supporters, as noted above, may have come to the UDF out of frustration with the ANC. National Publicity Secretary Patrick Lekota, a former Black Consciousness activist, and other UDF supporters such as Winnie Mandela emphasize that the UDF is not meant as a substitute or rival for "accredited liberation movements" and that it is merely an "alliance of first-level organizations." Certainly many of its affiliates and supporters who are white or who ahve Black Consciousness roots would not welcome overt connections with the ANC.

Whether the reluctance to admit past or present ANC linkages is due to the factors cited publicly or merely an elaborate facade to avoid legal crackdowns arising from the ANC's banned status is difficult to determine. In any case, the UDF seems to be acquiring a life of its own. Even taking into account Lekota's emphasis on the umbrella nature of the organization, the sheer numbers and the focus on clear-cut tactical objectives warrant attention. The UDF now has a national, salaried executive, publishes literature, and has an efficient, democratic national structure that allows its members to vet policy issues thoroughly and recommend action. It works through affiliate members or empathetic white liberal organizations in establishing grass-roots community contact points.

The UDF is currently considering its strategies for what one official recently called the "ongoing struggle against the new system after its formal inauguration." Recent interviews with UDF leaders indicated that these "strategies" were not yet decided upon and probably would be defined by the membership. Still, the UDF's future is uncertain, largely because of possible government pressures (see Section 9) and because of the unattainability of its objectives in the foreseeable future, which creates built-in obsolesence or self-destructive tendencies.

6. THE NATIONAL FORUM (NF)

The second and smaller black group formed to fight the new constitution is the National Forum. AZAPO, the moving spirit behind the NF, launched the organization at a meeting in Hammanskraal, north of Pretoria, in June 1983. The declared purpose was to bring together blacks in opposition to the constitutional proposals, the same dynamic that produced the UDF, but under the banner of Black Consciousness. Over 800 persons representing some 200 organizations reportedly attended. They included several prominent black, Coloured, and Indian leaders—for example, Bishops Desmond Tutu and Manas Buthelezi, Saths Cooper, and Neville Alexander. The meeting took on racially exclusive and strong socialist tones which were reflected in the National Forum's manifesto. In stark contrast to the UDF's attempt at a broad, nonracial appeal, the NF manifesto declared opposition to "the system of racial capitalism which holds the people of Azania in bondage for the benefit of the small minority of white capitalists and their allies, the white workers and the reactionary sections of the

black middle class." It further called for control by workers of the "means of production, distribution, and exchange" and stated that "the struggle against apartheid is no more than the point of departure for our liberation efforts."

The National Forum has been far less vocal and visible than the UDF. It does not appear to have a permanent organizational structure, and its strident rhetoric has dampened the enthusiasm of its more moderate supporters. Indeed, several have chosen to link themselves informally with both the NF and the UDF but affiliate with neither. While many veteran Black Consciousness stalwarts such as Hlaku Rachidi and Saths Cooper have helped organize the NF, many others (e.g., the former AZAPO President, Curtis Nkondo) have either joined the UDF or maintained a neutral position. AZAPO remains the NF's most important component but, in recent commemorative meetings and press interviews, AZAPO leaders have not mentioned the NF.

Although the NF has divided some groups (for example, a delegation walked out of the Black Consciousness-based Media Workers' Association of South Africa in January 1984 over the issue of white participation and UDF affiliation), it still has a credible constituency because it represents an important group of mostly young, student-age activists who see themselves as heirs to the Black Consciousness movement and are impatient with the perceived moderate ways of their elders, including the ANC and the UDF. Significantly, the PAC, which shares the NF's philosophy and has been quiescent for so long, seems to be experiencing a modest revival in its influence in Black Consciousness circles.

7. THE SOUTH AFRICAN FEDERAL UNION (SAFU)

An unexpected entry into the anti-constitution forces was a moderately conservative black coalition initially launched in August 1983 as the Movement for National Unification and later calling itself the South African Federal Union. SAFU is philosophically akin to the now-defunct Black Unity Front and South African Black Alliance led by Chief Gatsha Buthelezi. Buthelezi played a key role in SAFU's formation, but the impetus for such an organization also came from senior officials of the National African Federated Chamber of Commerce (NAFCOC), a moderate grouping of black entrepreneurs and businessmen with a large national membership and led by the respected banker and businessman Sam Motsuenyane. The Union includes all the chief ministers and chief executive councillors of the nonindependent homelands, Chief George Matanzima of "independent" Transkei, representatives from the Interdenominational African Ministers' Association of South Africa, and officials from the United Councils Association of South Africa, a group representing municipal councils.

Although SAFU appears to have made little impact so far and faces considerable black animosity because of the homeland connection, its very existence in opposition to the constitution and in support of a national convention and "the establishment of a greater South Africa" underscores the extent to which the government's constitutional change has galvanized the black community as a whole.

8. TRADE UNIONS

Black trade unionism has become a new force in recent years—a force that many observers believe could, in the long run, have far greater impact on the rate and direction of change than any or all of the political groups on which attention is now focused. A series of illegal strikes carried out in 1973 by black industrial workers in Durban, followed by a number of government concessions (including new minimum pay scales for urban workers, a limited legal right to strike, and open recognition of the need for more technical training opportunities for black workers) helped set the stage for some watershed events of 1979. These were the publication of the report of the Wiehahn Commission of Inquiry into Labour Legislation, and action by parliament to amend the Industrial Conciliation Act to allow black workers to join registered labor unions if they are permitted to live with their families in urban areas. The government by ministerial action later extended this right to commuters and migrants for an indefinite period.

Despite increasing government surveillance and harassment of specific union leaders and unions it perceives to be involved in politics, new unions and union groupings continue to multiply among black workers. In recent years this growth has been phenomenal, with a 200 percent surge in black membership between 1980 and 1983 (from 220,000 to 670,000). The black trade union movement's potential for forcing change on the shop floor, in management attitudes, and in the economic structures of South Africa cannot be underestimated. (See, for example, *Black Trade Unions in South Africa* by David Hauck, published by the Investor Responsibility Research Center, Washington, D.C., in 1982.)

Many unions, taking a long-term view, try to avoid political or quasi-political demands and focus on the immediate priorities of shop floor organization and creation of a national trade union federation to protect rights gained. Most major union groups will speak out on specific issues such as the Industrial Court system or certain broader issues (bannings, detentions, black unity). Others have become actively engaged in the current political groupings. The UDF, the National Forum, and even Inkatha claim some union support. In the case of the UDF, such major trade union groups as the Council of Unions of South Africa (which includes the National Union of Mineworkers), the South African Allied Workers Union, the Motor Assembly and Component Workers Union of South Africa, and the General and Allied Workers Union have affiliated; in some cases, however, all their member unions may not have been consulted. Several groups, notably the Media Workers Association of South Africa, have been divided over affiliation.

9. WHAT LIES AHEAD?

While there has been a dramatic convergence of black opinion in South Africa on the constitutional issue, serious divisions remain. The ANC-PAC relationship is reflected in the groups they have ideologically spawned. The UDF publicly denies ANC connections, but openly calls its members "charterists." Although there is no clear evidence of PAC organizational involvement in the National Forum or AZAPO, blacks supporting those groups openly talk of the PAC and there may be crossover membership.

The PAC's public support of the National Forum was illustrated by PAC Chairman John Pokela's prediction in an interview with *New African* (London, May 1984) that the NF had "the best chance of succeeding" while the UDF "embraces all shades of multiracialism [and contains] constituents [which are] enemies of the Azanian African majority. . . ." Meanwhile, the ANC's Oliver Tambo, in an interview with the same publication (April 1984), took the position that "the mass opposition of our people . . . united today in the ANC, the UDF, the trade unions, the youth and women's movement without regard to ethnicity, race and color" is throwing the government's plans into "a crisis."

These divisions have other antecedents beyond the historical ANC-PAC relationship. With the PAC in eclipse throughout the 1970s, the ANC had taken on a predominant role as the external representative of South Africa's blacks. Black Consciousness advocates and student activists would not dispute that point, but many of them take exception to ANC misrepresentations of certain interval events in the mid-1970s. Student leaders were especially angered in 1976–77 by ANC claims that the widespread civil protests and resulting clashes with authorities that began in Soweto were orchestrated or inspired by the ANC. Some of this anger was based on ANC-Black Consciousness ideological differences, but it also reflected a human aspiration to be understood and credited properly. In addition, there was concern that the focus on the ANC had the effect of fueling government "communist onslaught" propaganda, thus allowing Pretoria to side-step dealing with the specific grievances that precipitated the protests.

We are also witnessing here a syndrome that has recurred again and again among externally-based ("exile") political organizations in Africa. The ANC and PAC are both victims of their distance from their constituencies. Although there is little doubt about the ANC's growing presence within South Africa in recent years, it does not necessarily follow that this growth reflects a stong allegiance to the external ANC of Oliver Tambo. Notions of the ANC among blacks within South Africa are often of a resurgent Nelson Mandela and Walter Sisulu. Restrictions on domestic press coverage of banned organizations are, of course, a factor contributing to the limited identification with the less familiar exiled leaders.

In the face of these deep divisions, recent bridge-building successes warrant a closer look. The fact that the motivation for the formation of the UDF, the NF, and the South African Federal Union has been opposition to the current constitutional process rather than any perceived need for reconciling ANC-PAC-Black Consciousness ideologies would seem to be a positive development.

Another straw in the wind is the urging by a significant range of major black leaders of a modus vivendi between the UDF and the National Forum. Dr. Nithato Motlana of Soweto's Committee of Ten and Bishops Desmond Tutu and Manas Buthelezi are among those who have tried to interact with both groups. Several Black Consciousness leaders—including Dr. Mamphela Ramphele, Zwelake Sisulu, and Curtis Nikondo—have also attempted to keep the public rhetoric conciliatory. Even Ish Mkhabela of AZAPO has stated: "We do not see divisions among the oppressed. We are one . . . [The UDF] have their weaknesses and, in the long term, are fraught with dangers and pitfalls [but] AZAPO is prepared to be part of a principled unity with any organization engaged in the struggle." AZAPO's Secretary Muntu Myeza has been quoted in the press as having said that AZAPO was not "in opposition [or] antagonistic" to the UDF because "we all ultimately have the same objective." Winnie Mandela, a key figure in

any unity move, supports the UDF, but is also popular with Black Consciousness. She dismisses the differences between the groups as relatively unimportant and says she is "cheered" by developments, characterizing the constitution as the "best unifying factor" in years for blacks.

Meanwhile, the government has not been idle. The first few months of the UDF's and NF's existence were relatively trouble-free, with a short detention of one UDF official and the banning of several meetings. Monitoring has escalated as these groups have demonstrated more appeal and clout. AZAPO offices and the homes of at least 41 of its members in various parts of the country have been raided. In Johannesburg, documents, typewriters, files, filing cabinets, and other office equipment were confiscated in May 1984.

As its campaign against the elections began to prove effective, the UDF also felt the sting of official sanctions. This began with the arrest of representatives of at least 44 affiliates at an anti-apartheid rally in Durban on June 23, 1984, and several other isolated incidents. After the low Coloured turnout for the August 22 poll, but prior to the Indian elections, authorities detained 47 UDF leaders along with 152 others participating in protest actions. Fifteen of those UDF leaders were still being held as of late October under Section 28 of the Security and Terrorism Act, which is a preventive detention clause allowing for six months detention without charge or legal access.

It appears that the government was initially cautious in its approach to the UDF, possibly wishing to avoid a repetition of the kind of world condemnation that followed the 1977 bannings and detentions of Black Consciousness leadership. The effective election protest of the UDF has hardened the government's attitude, although the detentions appear not to have been universally agreed upon within the cabinet. Many UDF officials and informed observers are openly worried about a possible banning of the organization or, more probably, some of its affiliate groups and key leaders. In the wake of the recent township disturbances, Minister of Law and Order Louis Le Grange has stated that the UDF has the "same goals" as the ANC and the South African Communist Party and is "creating a revolutionary climate" in South Africa.

How the government deals with the UDF-NF phenomenon in the months ahead will, of course, dictate to a great extent whether the new sense of shared purpose represented in these organizations can be sustained long enough to confirm the existence of a meaningful political force beyond the limited and transitory objectives that brought so many diverse elements together in 1983 and 1984.

Whatever the future holds, the emergence of national organized political entities, the first since the 1950s, must be regarded as a landmark in South Africa's evolution. Given the heightened politicization of urban (and also homeland) blacks that has resulted from the constitution issue, even moderates are now impelled to speak out, organize, or join alliances in opposition to a new law of the land that ignores their existence.

(Steven McDonald received his Master's degree in African politics from the School of Oriental and African Studies, University of London. From 1970 to 1979, he was a career Foreign Service Officer in the U.S. Department of State. His diplomatic service was exclusively within the Bureau of African Affairs and included two postings in Africa—as political officer in Kampala, Uganda (1971-73) and in Pretoria, South Africa (1976-79). He was country officer for Angola and Mozambique in Washington from 1973 to 1975. Earlier in his career, he was an aide to Senator Stuart Symington of Missouri. Since 1982, Mr. McDonald has been executive director of the United States-South Africa Leader Exchange Program (USSALEP), a multiracial organization established in 1958 and composed of distinguished Americans and South Africans who share a dedication to keeping lines of communication open among and with all elements by whom South Africa's future will be shaped. USSALEP's governing body is a multiracial unitary council of approximately 25 South Africans and 25 Americans representative of a wide range of opinion in both countries.)

Mr. Chairman, regarding black attitudes toward U.S. policy, a recent survey of black South African production workers found that 75 percent overall—and 71 percent of those employed by U.S. companies—supported the constructive engagement argument, while 25 percent—or 29 percent of U.S. company employees—supported the disinvestment/boycott position.

Several black leaders, including Zulu Chief Buthelezi, have expressed opposition to disinvestment, while several others support disinvestment or sanctions. In a Wall Street Journal editorial on February 20th of this year, Chief Buthelezi argued that—

It is in the circumstances of a rapidly expanding economy, where the interdependence of black and white is vastly increased, that the propensity of the country to change is enhanced. Black vertical mobility is concomitant of economic growth.

Chief Buthelezi also points out that the role of big business in South Africa has changed. I quote:

It was the large corporations that broke the apartheid barriers that led to real advancements for black workers . . . Progressive managements talking, dealing and negotiating with workers hastened the day of black trade union recognition.

He goes on to say that—

It is big business that keeps institutions such as the Institute of Race Relations alive, and it is very often big business that provides the financial muscle to challenge the government in the courts on civil rights issues, on labor issues and on contradictions and ambiguities in law; and it is international capital that can back educational and development programs.

Chief Buthelezi's conclusion regarding economic sanctions is that "in the circumstances that now appertain, withdrawal of investments in South Africa by Americans is a strategy against black interests and not a punitive stick with which to beat apartheid."

Mr. Chairman I would like to submit the full text of Chief Buthelezi's editorial for the RECORD:

[From the Wall Street Journal, Feb. 20, 1985]

DISINVESTMENT IS ANTI-BLACK

(By Mangosuthu G. Buthelezi)

In the struggle for liberation any black leader worthy of the title recognizes that the responsibility for bringing about radical change in South Africa rests on black shoulders. It is a South African struggle, and blacks have to lead in that struggle until we pass the point where the drive for improvements becomes nonracial. We have to shape events in our own chosen direction, and we have to fashion our society after the models that we ourselves emulate.

It must not, however, be forgotten that in life and death situations decency is so often under siege. Bloody revolutions fought against terrible oppression do not automatically bring about great improvements. Decency in South Africa is under siege at the moment in the sense that decency and democratic nonviolent opposition to apartheid are under threat by white recalcitrance, which is polarizing society and driving blacks to despair and anger. Decency is also under siege in the sense that time-honored civilized values and Western democratic principles are being viewed as impotent by an ever-increasing number of blacks. The struggle for liberation in South Africa still could take ugly turns; the prospects of widespread devastation of property and a sharp escalation of violence leading to a race war remain an ever-present possibility.

NEED ALL-PARTY ATTEMPT

It is against these background thoughts that I ask Americans to consider attitudes toward investment in South Africa, and attitudes toward President Reagan's constructive engagement policy. As a black leader I cannot be jubilant yet about the Reagan administration's South African policy. We don't know yet what deeds will be added to words, but we are aware that sufficient political time has not passed for anybody to make judgments on Mr. Reagan's approach to South Africa. As a black leader I must welcome his attempt to formulate a South African policy for the first time in the U.S.'s history, even if it has not yet been demonstrated that the U.S. government and the American people have the will and the ability to take South African issues out of U.S. party politics. Black South Africans still don't know whether petty politicking between Democrats and Republicans will turn apartheid into an American political football for party gain.

I make the point that for the U.S. the South Africa situation is distant and unimportant. The remoteness of South African issues from the daily vested interests of U.S. citizens does not demand that any U.S. government make more than vague moral pronouncements on what should and should not be happening in my country. The South African issue, however, does challenge Americans' moral fiber and the U.S.—as the world's leading democracy—should make an all-party attempt to side with the oppressed in South Africa.

This thought, however, does not belie the fact that medium and long-term economic developments in South and Southern Africa have implications for U.S. interests. South Africa after liberation will be a great gateway to the African hinterland where the process of industrialization must inevitably be talked of in terms of many millions of dollars. At this juncture, however, the im-

mediate challenge to the U.S. is a moral challenge.

If we are to avoid a destructive conflagration of forces in South Africa, the process of change in the country must be speeded up. I fail to see how those who agree with this statement can possibly talk of our effective economic isolation. Isolation will bring stagnation to the economy and perhaps even destroy its growth base. Yet it is in the circumstances of a rapidly expanding economy, where the interdependence of black and white is vastly increased, that the propensity of the country to change is enhanced. Black vertical mobility is a concomitant of economic growth. Anybody who knows anything about a society such as ours will know that the ceilings that apartheid imposes on this vertical mobility, produce the rubbing points that mobilize opposition to apartheid where it is most vulnerable.

Apartheid has lined white pockets and succored white privilege. When white privilege and standards of living are threatened through the prosperity of blacks and there is a rising claim to recognition, then the prospects of negotiated advances are the greatest. While protected by a wide range of apartheid measures, big business in South Africa has for decades sides with the oppressor and exploited black South Africans unmercifully.

That era has passed. No big business today can secure future plans without challenging apartheid. It was the large corporations that broke the apartheid barriers that led to real advancements for black workers. Ford Motor Co.'s bold indenturing of black apprentices against the law hastened the day when job reservation had to be abandoned. Progressive managements talking, dealing and negotiating with workers hastened the day of black trade-union recognition.

It is big business that keeps institutions such as the Institute of Race Relations alive, and it is very often big business that provides the financial muscle to challenge the government in the courts on civil-rights issues, on labor issues and on contradictions and ambiguities in law; and it is international capital that can back educational and development programs. For large American companies to opt out of the South African situation is to opt out of the prospects of being catalysts in the process of change.

Increased economic investment in South Africa by U.S. companies associated with a U.S. constructive engagement policy with real meaning is a moral option that the U.S. now has. In the circumstances that now appertain, withdrawal of investments in South Africa by Americans is a strategy against black interests and not a punitive stick with which to beat apartheid.

LIFE AND DEATH DIFFERENCE

There is a great deal of genuine interest in South Africa among many Americans, but I really am fearful that the upsurge of the current debate on the disinvestment issue and on Mr. Reagan's constructive engagement policy is in part fired by Americans for Americans on American issues. Apartheid should be more than some kind of looking glass in which Americans see themselves. Apartheid is real; it is out there and millions of black South Africans suffer indescribably under it. Americans should profess a humanitarian approach to the question of what the U.S. should do about apartheid. To stand on American indignant principles by withdrawing diplomatically and economically from South Africa is a luxury that the vastness of American wealth could afford. But indulgence in that luxury for the sake of purity of conscience, whatever genuine motives produce that conscience, would do no more than demonstrate the moral ineptitude of a great nation in the face of challenges from a remote area of the globe.

Black South Africans have to confine their options to realities, and we have to seek to bring about radical change in such a way that we do not destroy the foundations of the future. More than 50 percent of all black South Africans are 15 years old or younger. A huge population bulge is approaching the marketplace. To greatly exacerbate unemployment and underemployment, and to greatly increase the already horrendous backlog in housing, education, health and welfare services, would be unforgivable. Millions of black South Africans already live in dire squalor in squatter areas and in shantytowns. Jobs make the difference between hunger and starvation and between life and death. For Americans to hurt the growth rate of the South African economy through boycotts, sanctions and disinvestment would demonstrate a callous disregard for ordinary people, suffering terribly under circumstances that they did not create, and would be a gross violation of any respect Americans may have for the principle that people should be free to exercise their rights to oppose oppression in the way they choose. Black South Africans do not ask Americans to disinvest. The strident voices calling for confrontation and violence are the voices most dominant in calls for disinvestment.

(Mr. Buthelezi is hereditary leader of the Zulu people of South Africa.)

Mr. Chairman, while economic sanctions are of questionable value, U.S. economic involvement in South Africa has been a positive factor with a potential for increased influence for change. It does not make sense to relinquish that potential in order to make a grand but ineffective gesture.

U.S. policy in South Africa can either be a force for evolutionary change or revolutionary change. Increasing economic dissatisfaction combined with unfulfilled political demands are a threat to any peaceful evolution in South Africa. As expressed by Chief Buthelezi,

If change is ever achieved in South Africa through violence, we will find that the foundations of the future will have been destroyed in the course of liberating the country . . . For the vast majority of blacks, the struggle has always been for inclusion in the existing South Africa; it has always been a struggle to transform the state rather than destroy and rebuild it.

Mr. Chairman, I encourage all of my colleagues to carefully consider the effectiveness of economic sanctions. To look beyond the political rhetoric to the effects of such a policy. We should not recklessly approve a policy without giving careful and thorough consideration to its effects.

Mr. Chairman, at the appropriate point in our consideration of H.R. 1460, I will offer an amendment to the section that would ban the importation of Krugerrands into the United States. My amendment would allow Krugerrands to be imported, but it would require that they be registered upon entry. A nominal fee of 5 percent would be charged to cover the costs of registration. Any amounts remaining after covering the costs of registration would be used to finance scholarships for black and other nonwhite South Africans.

This amendment offers a positive way of dealing with the sale of South African Krugerrands in the United States. We would be able to use their importation to support the most effective means of achieving peaceful, evolutionary change: education.

I urge my colleagues to support this amendment and other perfecting amendments to H.R. 1460, so that the black population of South Africa will not be held hostage to change in the white South African Government.

Mr. MITCHELL. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland [Mr. BARNES].

Mr. BARNES. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of this legislation.

Mr. MITCHELL. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the Anti-Apartheid Act.

After 4½ years, President Reagan's policy of constructive engagement has proven to be neither. Mr. Reagan's policies have brought no constructive improvement in the lives of South Africa's black majority. Those policies have failed to engage Pretoria in talks with this country that effectively communicate our disgust with apartheid and the importance we attach to serious negotiations between South African black leaders and the government there.

Mr. Reagan's policies have instead convinced the South African regime that it could continue its repression of black South Africans without fear of retaliation by the U.S. Government. Confident that the U.S. Government would not impose sanctions, the South African Government has refused to hold serious negotiations designed to end apartheid peacefully.

This bill sends a strong message to the South African Government that we will no longer tolerate the represson of nonwhites in that country.

This bill will cut off the South African Government from the economic and technical support that keeps apartheid alive.

Mr. Chairman, the American people will accept no less. The protests before the South African embassy here in Washington, and at consulates of the South African Government in cities around the United States, reflect how strongly our people feel about this.

City governments—including the government of my home city of Los Angeles—have begun to take steps to disinvest from the South Africa. Many universities have taken similar steps and others—including the California State university system—are under pressure to follow suit.

Now is the time for the Congress to take action. This bill is the best and strongest means we have to bring about changes in South Africa.

As the author of the provisions banning computer sales to South African Government agencies, I would like to take a moment now to outline the importance of this ban.

Computers make possible the South African Government's control over every detail in the lives of South African blacks. From the age of 16, every black must carry a passbook. The passbook will be a constant companion for the rest of their lives. It contains information indicating where its possessor may live and where he may work, whether he may live with his family or whether the Government has ordered him separated from his family.

The South African Government maintains detailed dossiers on each black in that country, and periodically checks the passbook information with the information it maintains in its computers. Such passbook enforcement is the most basic and intrusive means of repression.

The Government maintains thorough information on its opponents. It bugs their telephones, records their private conversations, monitors their movements through surveillance by police and their informants.

Computers are used to collect, retrieve, and employ this information in the repression of those who fight to eliminate apartheid.

Computers have allowed this suppression of dissent to continue. Computers aid in the subjugation of the 73 percent of the country's population that is black by the 15 percent who are white and in power. Computers make it possible for the Government to continue enforcement of apartheid even in the face of a white manpower shortage.

Computers allow that repression to continue—and to be intensified. Pass law arrests doubled between 1980 and 1982. Political detentions have increased sharply this year. Armed with more thorough and more readily available information, the Government has accelerated the removal of whole communities from areas traditionally occupied by blacks, but which the Government now wants to declare off-limits to nonwhites.

Those are American computers. U.S. companies supply 70 percent of all computers sold in South Africa.

The only way that we can insure that no American computers are used to enforce apartheid is to take computers out of the hands of all South African Government agencies.

IBM reports, regarding its operations in South Africa, and I quote "* * * it would be misleading to suggest that any manufacturer can control how its products are used."

Computers made by IMB, Burroughs, NCR, Mohawk Data Sciences, Data General, and others have been used by national and local South African agencies to enforce apartheid. Many have been purchased through the Government's central purchasing agent, the State Tender Board. It is all but impossible to track the use of an American computer once it has been sold to the central purchasing office.

Let's not fool ourselves into believing that somehow we can segregate the good agencies of the South African Government from the bad agencies, ban sales to the bad ones and exempt the good ones from the ban. This issue is too serious for such self-deception.

□ 1730

Mr. MITCHELL. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LANTOS].

Mr. LANTOS. Mr. Chairman, I rise with a profound sense of revulsion against the practice of apartheid and in the strongest possible support of this legislation.

We debate many issues in this Chamber, and there are lots of good arguments for and against legislation, and there are lots of gradations and shadings and points of view and perspectives—but not on this issue. If there is any moral issue that comes before the House in 1985, it is this issue.

It is significant that every single one of our colleagues from the Black Caucus is passionately committed to this issue. It is they who bleed emotionally and morally and in terms of principle on this issue. We are not debating the importation of automobiles from Japan, we are not debating bruised egos; we are talking about the fact that every single little baby born in South Africa who has a different pigmentation from mine is put in an untenable, inhuman, disgraceful, outrageous position. That is the issue. This proud democracy must stand up and send a symbolic message.

This legislation is a very pragmatic piece of legislation, but if it had no pragmatic impact, it has a powerful symbolic impact. Krugerrands are not just little gold coins; they are the symbol of institutionalized racism. The Krugerrands of today are the equivalent of the swastikas of World War II, and I beg of my colleagues to join us in supporting this legislation.

Mr. Chairman, this Congress must stand tall and approve this antiapartheid legislation.

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Chairman, I rise in support of this legislation. I realize that there are some who claim that we should not take the extraordinary steps in this bill to restrict future U.S. investment in South Africa, and to impose other sanctions on U.S. economic support for South Africa. I agree that we should be responsible in our approach to the problem of South Africa—and I believe this bill is exactly that—if there ever was a country that deserves to be treated differently, it would be South Africa. South Africa is the only country in the world with an official legal code denying the majority of its citizens their most basic human and civil rights on the basis of race. I believe that we must make absolutely clear our abhorrence at South Africa's apartheid policy and make clear our determination not to participate in any way with its continuation.

In the emotional debate that is likely to go on today, there are several things that I believe we should keep in mind. First, this bill would not disinvest U.S. holdings and investments in South Africa. What it would do is prohibit new U.S. investments, and prevent new shipments of South African gold coins to the United States. I do not interpret this as "cutting and running," although perhaps the United States should consider disinvestment at some point if genuine progress in South Africa is not made. But at this time, I believe this bill's approach is measured and appropriate.

Second, the current policy of constructive engagement is inadequate and actually serves to limit our ability to influence what happen in South Africa. I believe the administration has carried out this policy with sincerity and the best of intentions. But the policy has a fundamental flaw. Constructive engagement forecloses the possibility of sanctions and depends only on positive persuasion in the effect to shake the very foundations of the South African state. The best that such an approach can do is to achieve cosmetic changes in the implementation of apartheid.

One example is in the area of compliance with the Sullivan principles by U.S. businesses in South Africa. I am aware that this bill does not address the issue of mandatory compliance with the Sullivan principles, and that this is an issue for other legislation. But the administration, to its credit, has worked very hard to try to persuade U.S. business to voluntarily comply with the code. But the last audit by Arthur Little & Co. revealed that the number of U.S. companies claiming to comply with the Sullivan principles has actually dropped in the past 2 years, and the compliance

record of those who have signed is still spotty. If the administration had informed the companies that it would seek legislation from Congress making the code mandatory if they did not voluntarily comply, I think we would see a very different record of compliance today.

By now, it must be apparent that friendly persuasion and diplomacy are not going to change the minds of those in South Africa who have worked for four decades to develop a police state able to enforce the elaborate and brutal system known as apartheid. Perhaps, as some claim, the approach taken in this bill will not end the bunker mentality of the Afrikaners, and will not lead to the abolishment of apartheid. If this is true, however, I suspect that there is nothing the United States can do that would make the crucial difference. But we should take this step if for no other reason than out of respect for racial equality and our own values.

We must keep in mind through all the discussion on the possible use of U.S. influence and leverage with the Government of South Africa, one indisputable fact stands out: there must come a time, when, the United States decides that we have done all we are willing to do in trying to work things out with a government that maintains itself in power only through a reprehensible and repugnant policy. How can we subordinate the obscenity of apartheid to any other dealing we may have with South Africa? I believe the answer is simple: we cannot. There may be some still who say that after 40 years the South Africans deserve more time, but I say that now is the time to start treating our relations with South Africa in a way that is fundamentally different.

The present policy of the carrot without the stick lulls the minds of those in South Africa who want to think that apartheid can continue. Four decades ago, when South Africa's representative to the U.N. vowed to Eleanor Roosevelt that apartheid would continue "forever," Eleanor Roosevelt replied that "forever is a long time." But now at last the pressure for real change in South Africa is building. With this bill, we will rivet the attention of South Africa's leadership and, make them realize just how short the time is.

If we fail today to apply meaningful sanctions, we will allow the South African leadership to dream on about apartheid's blissful eternity. At the same time, we will reinforce the growing resentment in South Africa's black majority toward the United States. Very little may be certain in South Africa, but one thing we may be sure of is that some day, in some way, South Africa will have majority rule.

Rather than postponing action once again to give South Africa one more chance, let us take this opportunity to speak with a clear, strong voice, and to act on our conscience. We have tried ignoring the problem, and it did not go away. We tried Constructive Engagement, and it has not worked. Now, is the time for sanctions. As we proceed with consideration of this bill, I hope this body will take an action that will end the process of merely condemning apartheid, and will begin the process of putting our words into deeds.

Mr. MITCHELL. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Chairman, I rise in support of H.R. 1460.

The arguments used against this piece of legislation center around the question of jobs. Let me say that there is no struggle without sacrifice. When the men and women of this country, black and white, left these shores in the 1940's to fight against the spread of Nazism, no one said, "I've got an assembly-line job in southern California" or "Detroit." They gave up their jobs. So if jobs are the sacrifice that black South Africans must make, then so be it.

Black South Africans are at war against apartheid. They are at war against racism. They are waging a moral, a spiritual, and a legal war, and soon they may wage a military war against apartheid. Therefore, to use the issue of jobs is to me an irrelevant and unnecessary argument.

My colleague, the gentleman from Indiana [Mr. BURTON], likes to equate this whole issue of apartheid with communism. Communism strikes at the political and economic class system. Apartheid strikes at the Gestalt psychology of the black men and women of South Africa. It strikes at their soul. It is a humiliating experience. It is a system based on racism, not just politics, not just economics, not just class, but specifically racism, and directed not against whites but directed against blacks. So it is not fair to equate the whole question of communism, which I abhor, too, as does the gentleman from Indiana, with the question of apartheid. They are two separate and distinct issues. One demoralizes and humiliates the racial soul of the person; the other one deals with the question of class.

Mr. Chairman, in this era of peace and prosperity for the United States, there are few political issues which enrage the electorate. South Africa's apartheid policy is one of those issues. I need not berate my colleagues on the evils of this violent system of legalized racism. We are all familiar with its ugly realities. President Reagan, on the other hand, does not share our revulsion. This is disturbing, for it indicates a certain tolerance for racism. Based on anticommunism and a fear for the future, Mr. Reagan continues his policy of constructive engagement with South Africa. Stressing that the political spokesmen for the black majority are too radical, too disparate, and too disrespectful to American business interests, Mr. Reagan favors the recognition of the white minority as the lesser of two evils. To Mr. Reagan, the real evil in South Africa is the threat of Communist expansionism or, at the least, the enthroning of radical extremists should the white minority government topple. To most Americans, especially black Americans, the true evil in South Africa is the source of the current unrest, apartheid.

Without question, our Presidential administration is at odds with much of its people on this issue. Are there really two evils? The answer is apparent. Apartheid exists; the last vestige of a 19th century, colonial approach to racial matters. The Communist, extremist threat does not exist. It is a fear, born out of the anticommunist crusade that has obsessed the White House since 1981. I ask this Congress to deal with realities. Apartheid, Bishop Desmond Tutu has told us, can be halted through international pressure. The arrests at the South African Embassy, including my own, have proven this political point. Economically, little has been done to act on Bishop Tutu's advice. My fellow Californian colleague, RON DELLUMS, offers a fine answer to the good bishop; a measure calling for stiff economic restrictions against South Africa. It is overdue, and I must urge the House of Representatives to support it in the name of justice and humanity.

Let us not be misguided by our own fears. Let us continue to recognize the facts and respond to them in a fashion that befits our country's tradition of respect for civil rights/civil liberties. I stand opposed to the evil of apartheid, and I advocate economic pressures on South Africa.

Mr. MITCHELL. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Louisiana [Mrs. BOGGS].

Mrs. BOGGS. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in strong support of the Anti-Apartheid Act. In light of the growing unrest among the repressed people of South Africa and the failure of the government of that country to undertake steps sufficiently constructive to permit all of its people to participate in government, the time has come for the United States to establish a strong tangible, as well as moral, position in opposition to the unacceptable system that exists today in South Africa.

The apartheid system classifies the 23 million blacks who live in South Africa as "foreign natives." Under this

system the Group Areas Act defines where different races may live and where they may operate commercially. Black Africans can enter other areas with a permit only as long as their labor is needed. Once admitted to nonblack areas, they must live in prescribed places and are not permitted to own property.

The Pass law requires that all Africans over the age of 16 must at all times have a passport in order to move about the country. Police efficiently control and monitor the movements of blacks. By using improved technology and support offered by the computer equipment developed, manufactured and marketed by American corporations.

The homelands system is another element of apartheid. Five Bantustans, or homelands, have been established and South African blacks are assigned to them to be citizens, whether they want to or not. The Bantustans are poor, infertile patches of arid land that comprise about 13 percent of South Africa's area. Nearly 3.5 million Africans have been relocated to these artificial homelands that have no economic viability.

Some argue that there has been some limited degree of progress in reforming the South African system. There was a change in the constitutional form of government in 1983, permitting Asians and mixed race coloureds a share of power through the establishment of a racially segregated parliament. However, black Africans were excluded because they are not citizens of South Africa. They are citizens of their Bantustans.

Others argue that the Sullivan principles are an appropriate progressive response by American business. The Sullivan principles are an important step aimed at ending segregation and the discrimination around which South Africa's private sector revolves. But let me quote from Rev. Leon Sullivan's recent op-ed column in the Philadelphia Enquirer.

> The principles are a catalyst for change and affect conditions for black workers throughout the country. They are a lever on other companies.
>
> A group of South African companies employing a million workers, mostly blacks, are now using the principles in their practices. The principles have started a revolution in industrial race relations across South Africa. Also, they have become a platform for many in South Africa arguing for equal rights in government and other places.
>
> But far more must be done by American and other companies of the world. Growing and mounting tides of protest and turmoil within South Africa make fundamental change crucially urgent if the country is to avoid a bloodbath.
>
> The pace of change is far too slow. The companies in South Africa are powerful and must become active in the struggle. One thousand companies from America and the world in South Africa practicing equal rights and taking firm stands against apartheid laws would make a dramatic difference in helping bring about the dismantling of apartheid. The companies must be pushed harder for faster results.
>
> Unfortunately, more than 100 U.S. companies in South Africa still do not suport the equal rights principles and some, that claim to be supporters, are dragging their feet. All U.S. companies should become a part of the principles and measure up fully in their implementation.

Instead, Mr. Chairman, with the help of American investments, technology and expertise, the white minority government has been able to maintain a strong economy and a sophisticated apparatus that quashes all political dissent. The Sullivan principles are a positive step, but they are not a comprehensive way to address the wrongs of apartheid.

Mr. Chairman, H.R. 1460 does represent a significant American response to apartheid. It imposes limits on dealings with South Africa, including restrictions on new U.S. investments, bank loans to the public sector, the importation of krugerrands into the United States, and the export of computer goods to South Africa. The Government of South Africa is sensitive to the importance of foreign investment to its economy. Adoption of these new restrictions will be a strong signal that in the international economic and political environment there is a potential risk of more and effective sanctions unless there is a fundamental political and social change.

Mr. Chairman, I would like to commend the gentleman from Pennsylvania for his leadership on this issue. He has done yeoman service in crafting a sensible American response by reaching out to include participants from a broad spectrum of this House to bring this legislation to this point. I commend him for his efforts and urge passage of this important element in the dismantling of the political and economic structure known as apartheid.

Mr. WYLIE. Mr. Chairman, may I inquire as to how much time remains.

The CHAIRMAN. The gentleman from Ohio [Mr. WYLIE] has 4½ minutes remaining and the gentleman from Maryland [Mr. MITCHELL] has 7 minutes remaining.

□ 1740

Mr. WYLIE. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. FISH].

Mr. FISH. Mr. Chairman, I am proud to join my colleagues today to speak out against the unjust apartheid policies of South Africa and to express my strong support of H.R. 1460.

The racial injustices being perpetrated daily in South Africa require a strong response by the United States. Can we in good conscience continue new investment and trade with a country whose law is a conscious and deliberate policy of racism and often violent means of repression? Can we do otherwise than to condemn an intricate web of discriminatory laws which makes apartheid the governing reality of every aspect of social and political life?

The anglican Archbishop, Desmond Tutu, in a recent speech at the University of Kentucky, condemned—

> the violence in the black townships as discrediting our righteous struggle for liberation. But we must recognize that apartheid is the primary violence in South Africa—the violence of the migratory labor system, the violence of forced population removal, the violence of detention without trial, the violence that forces children to starve, the violence that stunts intellectual and spiritual growth.

Despite being ostracized by the international community as a social pariah, South Africa's central government has refused to relax its discriminatory hold. Special police units constantly harass members of civil rights organizations, such as the outlawed African National Congress, with social and political bannings and internal exiles. Suspected organizers and supporters, like Nelson and Winnie Mandela, have been arrested and incarcerated for long periods of the time without being charged or tried.

Recent events in South Africa make it clear that world pressure, as well as the U.S. policy of constructive engagement, has not eased tensions or increased rights of black South Africans. Over the past 9 months, more than 350 black South Africans have been killed; 10,000 have been arrested. Several of those killed were mourning the deaths of victims of previous protests. Just this past weekend, police killed a black man and injured two others in new rioting.

If history is our lesson, today's clashes and the Government's response signal the beginning of tomorrow's brutal revolution. If we are successful in forcing the lifting of the social and political restrictions of apartheid, perhaps the certainty of bloodshed will be avoided.

True equality will not be obtained without great advances in political participation. Until blacks are permitted to vote and to obtain fair representation in government, the protests will continue. Bishop Tutu said in Kentucky:

> I want to see fundamental change, political power sharing, come to South Africa peacefully. I call for international pressure: political, diplomatic, but above all economic.

We in the United States should be part of the peaceful solution in South Africa. It is time to send a message to the Government of South Africa, which represents less than one-fifth of the population, that we will no longer do business as usual.

The Anti-Apartheid Act takes the steps necessary to make our message clear—without changes in apartheid, we will not participate in the South African economy. Our legislation is a

measured response to apartheid. The bill bans bank loans to the public sector, restricts new investment, bans the importation of krugerrands, and bans computer sales to the Government of South Africa. The ban on new investments and the sale of krugerrands are subject to a waiver provision. The President can waive these prohibitions for a period of not more than 1 year if he certifies that one or more of certain conditions are being met and Congress agrees by joint resolution. These conditions include the ending of practices repugnant to all Americans—the elimination of the prohibition against blacks living near their place of employment; elimination of the prohibition against blacks finding work anywhere in the country; elimination of forced population removal, residence restrictions, or incarceration of political prisoners. Political conditions include the achievement of an internationally recognized settlement for Namibia or good faith negotiations between blacks and whites to establish a new political system that would permit full national participation by all residents of South Africa.

What of those who question our actions today, who see our sanctions as pushing South Africa into the hands of the Marxists? Again I cite the remarks of Bishop Tutu, who said "Apartheid is the best recruiter for communism."

We can be part of the solution, a peaceful solution. We should be on the side which is not only just, but which will eventually share the power in South Africa. We cannot ignore the inevitable. It if our best chance to have some influence on the future majority government and helping it become a true representative democracy.

My colleagues, the protests in front of the South African Embassy in Washington and on college campuses across the Nation, and H.R. 1460, are as much about our own country as they are about South Africa. These voices and our legislation are about what we stand for and what we will stand against.

Mr. MITCHELL. Mr. Chairman, I yield such time as he may consume to the gentleman from Ohio [Mr. PEASE].

● Mr. PEASE. Mr. Chairman, I rise in support of H.R. 1460, for it will send a clear and unmistakable signal that the United States will no longer tolerate South Africa's morally repugnant system of racist rule.

The Reagan administration's policy of constructive engagement has not prompted positive reform. Indeed, America's patience with Pretoria has exacerbated the plight of the black majority. Internal repression of South African blacks has escalated dramatically in the past 4 years, as we have maintained close political and economic ties with the white minority government. Understandably, South Africa's black majority condemns America's perceived alignment with the system of apartheid.

The economic sanctions proposed in H.R. 1460 will demonstrate our support of the South African majority and pressure the white minority government to begin dismantling its system of apartheid. Economic pressure from the United States may thus help to avert a catastrophic clash between the black majority and ruling white minority in South Africa.

I urge you to join me in support of H.R. 1460. It is a moderate but vital statement to give credence to America's moral condemnation of apartheid.●

Mr. MITCHELL. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, I rise in support of this legislation.

Let me put it, if I might, rather simply. There are times to err on the side of compromise. There are other times to err on the side of firmness. There are times to cut an issue into pieces. There are other times to stand for an entire principle.

There are times to embrace gradualism. There are other times to insist on swift action. Apartheid is a time for the latter. If any nation should understand that, it is our Nation.

We learned the lesson of indivisibility, of equality, through the ultimate painful test of civil war. We must abide by that lesson here at home and in our relations with all nations.

Mr. Chairman, South Africa must be no exception. It is time for them to act. It is time for us to be firm.

Mr. MITCHELL. Mr. Chairman, I reserve the balance of my time.

Mr. WYLIE. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, I signed a letter not long ago with 34 of my colleagues expressing my feeling that the end of apartheid can be instrumental to the growth of better relations and good relations between South Africa and the United States.

Apartheid makes it likely that our relations will deteriorate.

I think there should be an immediate end to the violence in South Africa, accompanied by a demonstrated sense of urgency about ending apartheid.

I think, Mr. Chairman, that H.R. 1460 will send that message and I urge adoption of H.R. 1460 today.

Mr. MITCHELL. Mr. Chairman, I yield myself such time as I may consume to close out the debate.

Mr. Chairman, I rise today in strong support of H.R. 1460, the Anti-Apartheid Act of 1985, to impose economic sanctions against the Government of South Africa. This House today has the rare opportunity to dispel the idea that America's foreign policy is hypocritical insofar as blacks on the continent are concerned.

I was in Gabon, Africa, in January 1983, with the gentleman from Michigan [Mr. WOLPE] and others. Black African leaders questioned me over and over and over again. "How can your country praise the people of Afghanistan who are fighting the Soviets and in the same breath condemn black South Africans who are fighting for their liberation?" "How can your country, the great America, continue to give aid, support, and comfort to the Union of South Africa, the only country in the world which upholds racism by law?" "Is your country's policy toward South Africa reflective of a kind of colonialist mentality which demands that whites dominate the lives of blacks?"

The questions came on, and on, and on. I tried my best to answer them in an honest forthcoming manner.

But today, today this House can give a clear, straight answer to all of those questions. By our vote for this legislation today, this House can say not only is the system of apartheid an ugly, evil thing which we condemn, but we shall this day take strong, positive, direct action against this evil thing, this abomination which assaults our very sense of humanity, the system of apartheid.

By our action today we can show the same compassion to blacks trapped in Pretoria as we show to Jews trapped in the Soviet Union.

By our vote today, we can show that we respect the essential dignity of those blacks in Capetown as we show for the beleaguered people in Afghanistan.

Let us dispel the notion that we have a foreign policy toward South Africa which is really a neocolonialist policy for blacks in Soweto.

We can dispel the notion this day on this vote, we can dispel the notion that America is still dominated by a colonialist mentality that says whites will forever dominate the lives of blacks.

Do you know what we are doing in South Africa? We are continuing the old colonialism and supporting it. We are continuing the words of Kipling:

> If drunk with sight of power we loose wild tongues that have not thee in awe, such boastings as the gentiles use or lesser breeds without the law.

□ 1750

That is what we are supporting with the neocolonialist policy. I would suggest to you that I thank you so much for your votes in the past criticizing and condemning and calling repugnant and pernicious the policies of South Africa. But that is not enough. We have done that time and time again and there has been essentially no change.

The only change that I have seen is a greater repression, more blacks being killed, more blacks dying in jail, more blacks being forced off their land. That is the only change.

There is a word we used to use in the ghetto about those who come up with their soft persuasive arguments against evil. We used to call it mealymouthing and that is what we have been doing here, some of us, today, mealymouthing on an issue that cannot be mealymouthed on, the issue of whether America is going to be a part of a neocolonialist posture against black South Africans or whether we are going to respond to the deepest and best instincts in this Nation that say all men are created to enjoy freedom, no matter where they exist.

You have heard all of the arguments and I am not going to use any more of my time. I will tell you one thing, let this House fail to vote on this issue and you fail America. Let this House fail to pass this issue and you give all of the justification in the world to the thought that is in the minds of hundreds of thousands of black Africans, that the United States of America, the greatest democracy in the world, will continue to support the most evil and repressive and racist regime that ever existed on the face of the Earth.

Mr. Chairman, let us vote for freedom, for dignity, for the right of self-determination for blacks in South Africa. Let not this House fail this Nation on this vote today.

Mr. Chairman, the House of Representatives has, in the past, adopted several resolutions sharply criticizing the pernicious and repugnant institutionalized racist policies of the South African Government. Although the language enunciating our position has been clear that the Republic of South Africa should cease its constitutional practice of apartheid, we have seen essentially no change in the status quo over the past two decades save the accelerated violence and oppression by Pretoria.

Not only has world attention been focused on the efforts of the 1984 Nobel Peace Prize winner Bishop Desmond Tutu, for his peaceful struggle against racism in South Africa, but much attention has been focused on the protests outside the South African Embassy here in the Nation's Capitol and in other cities across the Nation. It is apparent that these protests have stirred the consciousness of the American public over the past several months, but most casual observers do not realize that blacks and whites in South Africa have endured an abrasive and often bloodstained relationship since the Dutch first established a trading post at Capetown in 1652.

Mr. Chairman, although this bill allows for certain conditions under which two of the sanctions could be waived for limited periods, I do feel that it is the kind of legislation that is needed to make clear our opposition to the abominable system of racial discrimination in South Africa.

The economic sanctions this bill would impose include: First, a prohibition on all loans and extensions of credit to the South African Government; second, a prohibition on all investment direct or indirect, in new business enterprises in South Africa; third, a prohibition on the importation into the United States of South African krugerrands or any other gold coins minted or sold by the South African Government; and fourth, a prohibition on the direct or indirect export of U.S. computers, computer software, or other computer parts to the South African Government.

Over the past several years, we have witnessed an easing of export controls, and, increased sales of aircraft and other high-tech equipment from the United States to the South African Government under the guise of quiet diplomacy, but we have yet to see any move by the South African Government to abandon its policy of apartheid. Apartheid is a direct assault against our ideal of what is right and moral. It personifies evil, offends decency and affronts dignity. If we in this body really care about ending the condition of mass servitude in South Africa, if we are really concerned about the violence, human suffering and economic exploitation which results from minority rule in South Africa, if we really want to indicate to South Africa and the world that the United States is sincere in its abhorrence of the inhumane constitutional practice of racial segregation, we have a perfect opportunity today to do so. I urge my colleagues on both sides of the aisle to do the responsible thing and adopt this bill.

The CHAIRMAN. Under the rule, all time has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute recommended by the Committee on Foreign Affairs, now printed in the reported bill, shall be considered as an original bill for the purpose of amendment, and each section shall be considered as having been read.

After the bill has been considered for amendment in its entirety, it shall be in order to consider the following amendments in the nature of a substitute in the following order: the amendment printed in the CONGRESSIONAL RECORD of May 16, 1985, by, and if offered by, Representative SILJANDER; the amendment printed in the CONGRESSIONAL RECORD of May 16, 1985, by, and if offered by, Representative GUNDERSON; and the amendment printed in the CONGRESSIONAL RECORD of May 16, 1985, by, and if offered by, Representative DELLUMS, which shall be in order even if a previous amendment in the nature of a substitute has been adopted.

Each amendment shall be debatable for 1 hour, to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto, and said amendments shall not be subject to amendment.

The Clerk will designate section 1.

The text of section 1 is as follows:

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Anti-Apartheid Act of 1985".

Mr. WOLPE. Mr. Chairman, I ask unanimous consent that the committee amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute, beginning with section 2, is as follows:

SEC. 2 POLICY DECLARATIONS.

The Congress makes the following declarations:

(1) It is the policy of the United States to encourage all nations to adopt political, economic, and social policies which guarantee broad human rights, civil liberties, and individual economic opportunities.

(2) It is the policy of the United States to condemn and seek the eradication of the policy of apartheid in South Africa, a doctrine of racial separation under which rights and obligations of individuals are defined according to their racial or ethnic origin.

SEC. 3. PROHIBITION ON LOANS TO THE SOUTH AFRICAN GOVERNMENT.

(a) IN GENERAL.—No United States person may make any loan or other extension of credit, directly or through a foreign affiliate of that United States person, to the Government of South Africa or to any corporation, partnership, or other organization which is owned or controlled by the Government of South Africa, as determined under regulations which the President shall issue.

(b) EXCEPTION FOR NONDISCRIMINATORY FACILITIES.—The prohibition contained in subsection (a) shall not apply to a loan or extension of credit for any educational, housing, or health facility which—

(1) is available to all persons on a totally nondiscriminatory basis, and

(2) is located in a geographic area accessible to all population groups without any legal or administrative restriction.

(c) EXCEPTION FOR PRIOR AGREEMENTS.—The prohibition contained in subsection (a) shall not apply to any loan or extension of credit for which an agreement is entered into before the date of the enactment of this Act.

(d) ISSUANCE OF REGULATIONS.—The President shall issue the regulations referred to in subsection (a) not later than 90 days after the date of the enactment of this Act.

SEC. 4. RESTRICTIONS ON NEW INVESTMENTS (INCLUDING BANK LOANS).

(a) PRESIDENT TO ISSUE REGULATIONS.—The President shall, not later than 90 days after the date of the enactment of this Act, issue

regulations prohibiting any United States person from making, directly or through a foreign affiliate of that United States person, any investment (including bank loans) in South Africa.

(b) EXCEPTIONS FROM PROHIBITION.—The prohibition contained in subsection (a) shall not apply to—

(1) a loan or extension of credit permitted under section 3;

(2) an investment which consists of earnings derived from a business enterprise in South Africa established before the date of the enactment of this Act and which is made in that business enterprise; or

(3) the purchase, on a securities exchange registered as a national securities exchange under section 6 of the Securities Exchange Act of 1934, of securities in a business enterprise described in paragraph (2).

SEC. 5. GOLD COINS.

(a) PROHIBITION.—No person, including a bank, may import into the United States any South African krugerrand or any other gold coin minted in South Africa or offered for sale by the Government of South Africa.

(b) UNITED STATES DEFINED.—For purposes of this section, the term "United States" includes the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

SEC. 6. WAIVERS.

(a) AUTHORITY OF THE PRESIDENT.—

(1) INITIAL WAIVER.—The President may waive the prohibitions contained in sections 4 and 5 for a period of not more than 12 months if—

(A) the President determines that one or more of the conditions set forth in subsection (b) are met,

(B) the President submits that determination to the Congress, and

(C) a joint resolution is enacted approving the President's determination.

(2) ADDITIONAL WAIVERS.—The President may waive the prohibitions contained in sections 4 and 5 for additional 6-month periods if, before each such waiver—

(A) the President determines that an additional condition set forth in subsection (b) has been met since the preceding waiver under this subsection became effective,

(B) the President submits that determination to the Congress, and

(C) a joint resolution is enacted approving the President's determination.

(b) STATEMENT OF CONDITIONS.—The conditions referred to in subsection (a) are the following:

(1) FAMILY HOUSING NEAR PLACE OF EMPLOYMENT.—The Government of South Africa has eliminated the system which makes it impossible for black employees and their families to be housed in family accommodations near the place of employment.

(2) RIGHT TO SEEK EMPLOYMENT.—The Government of South Africa has eliminated all policies that restrict the rights of black people to seek employment in South Africa and to live wherever they find employment in South Africa.

(3) ELIMINATING DENATIONALIZATION.—The Government of South Africa has eliminated all policies that make distinctions between the South African nationality of blacks and whites.

(4) ELIMINATING REMOVALS.—The Government of South Africa has eliminated removals of black populations from certain geographic areas on account of race or ethnic origin.

(5) ELIMINATING RESIDENCE RESTRICTIONS.—The Government of South Africa has eliminated all residence restrictions based on race or ethnic origin.

(6) NEGOTIATIONS FOR NEW POLITICAL SYSTEM.—The Government of South Africa has entered into meaningful negotiations with truly representative leaders of the black population for a new political system providing for the full national participation of all the people of South Africa in the social, political, and economic life in that country and an end to discrimination based on race or ethnic origin.

(7) SETTLEMENT ON NAMIBIA.—An internationally recognized settlement for Namibia has been achieved.

(8) FREEING POLITICAL PRISONERS.—The Government of South Africa has freed all political prisoners.

(c) PROCEDURES FOR CONSIDERATION OF JOINT RESOLUTIONS.—

(1) REFERRAL OF JOINT RESOLUTIONS.—All joint resolutions introduced in the House of Representatives and the Senate shall be referred immediately to the appropriate committees.

(2) COMMITTEE DISCHARGE.—If the committee of either House to which a joint resolution has been referred has not reported it at the end of 30 days after its introduction, the committee shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter.

(3) CONSIDERATION OF RESOLUTIONS.—A joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provions of this subsection, it shall be in order for the Committee on Rules of the House of Representatives to present for consideration a resolution of the House of Representatives providing procedures for the immediate consideration of a joint resolution under this subsection which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

(4) RECEIPT OF RESOLUTIONS FROM THE OTHER HOUSE.—If before the passage by one House of a joint resolution of that House, that House receives a joint resolution with respect to the same matter from the other House, then—

(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(B) the vote on final passage shall be on the joint resolution of the other House.

(5) COMPUTATION OF LEGISLATIVE DAYS.—In the computation of the period of 30 days referred to in paragraph (2) of this subsection, there shall be excluded the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or because of an adjournment of the Congress sine die.

(6) JOINT RESOLUTION DEFINED.—For purposes of this subsection, the term "joint resolution" means a joint resolution the matter after the resolving clause of which is as follows: "That the Congress, having received on a determination of the President under section 6(a) of the Anti-Apartheid Act of 1985 approves the President's determination.", with the date of the receipt of the determination inserted in the blank.

SEC. 7. EXPORTS TO SOUTH AFRICAN GOVERNMENT

Section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) is amended by adding at the end the following:

"(1) EXPORTS TO SOUTH AFRICA.—No computers, computer software, or goods or technology intended to service computers may be exported, directly or indirectly, to or for use by the Government of South Africa or any corporaton, partnership, or other organization which is owned or controlled by the Government of South Africa.

"(2) For purposes of paragraph (1), the term 'computer' includes any computer that is the direct product of technology of United States origin.

"(3) The prohibition contained in paragraph (1) shall not apply to donations of computers to primary and secondary schools.

"(4) Notwithstanding any other provision of this or any other Act, the prohibition contained in paragraph (1) shall apply to any contract or agreement entered into before the date of the enactment of this subsection, and to any license or other authorization in effect which is issued under this Act before such date of enactment.

"(5) The termination provisions contained in section 20 of this Act shall not apply to this subsection, or to sections 11 and 12 of this Act to the extent such sections apply to violations of, and the enforcement of, this subsection.".

SEC. 8. REGULATORY AUTHORITY.

The President shall issue such regulations, licenses, and orders as are necessary to carry out this Act.

SEC. 9. ENFORCEMENT AND PENALTIES.

(a) AUTHORITY OF THE PRESIDENT.—The President shall take the necessary steps to ensure compliance with the provisions of this Act and any regulations, licenses, and orders issued to carry out this Act, including establishing mechanisms to monitor compliance with this Act and such regulations, licenses, and orders. In ensuring such compliance, the President may conduct investigations, hold hearings, administer oaths, examine witnesses, receive evidence, take depositions, and require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under investigation.

(b) PENALTIES.—

(1) FOR PERSONS OTHER THAN INDIVIDUALS.—Any person, other than an individual;, that violates the provisions of this Act or any regulation, license, or order issued to carry out this Act shall be fined not more than $1,000,000.

(2) FOR INDIVIDUALS.—

(A) IN GENERAL.—Any individual who violates the provisions of this Act or any regulation, license, or order issued to carry out this Act shall be fined not more than $50,000, or imprisoned not more than 5 years, or both.

(B) PENALTY FOR SECTION 5.—Any individual who violates section 5 of this Act or any regulation issued to carry out that section shall, in lieu of the penalty set forth in subparagraph (A), be fined not more than 5 times the value of the krugerrands or gold coins involved.

(c) ADDITIONAL PENALTIES FOR CERTAIN INDIVIDUALS.—

(1) IN GENERAL.—Whenever a person commits a violation under subsection (b)—

(A) any officer, director, or employee of such person, or any natural person in control of such person who knowingly and willfully ordered, authorized, acquiesced in, or carried out the act or practice constituting the violation, and

(B) any agent of such person who knowingly and willfully carried out such act or practice,

shall be fined not more than $10,000, or imprisoned not more than 5 years, or both.

(2) EXCEPTION FOR CERTAIN VIOLATIONS.—Paragraph (1) shall not apply in the case of a violation by an individual of section 5 of this Act or of any regulation issued to carry out that section.

(3) RESTRICTION ON PAYMENT OF FINES.—A fine imposed under paragraph (1) on an individual for an act or practice constitution a violation may not be paid, directly or indirectly, by the person committing the violation itself.

SEC. 10. NEGOTIATIONS.

The President shall, by means of both bilateral and multilateral negotiations, including through the United Nations, attempt to persuade the governments of other countries to adopt restrictions on new investment (including bank loans) in South Africa, on bank loans and computer sales to the South African Government, and on the importation of krugerrands. The President shall submit annual reports to the Congress on the status of negotiations under this section.

SEC. 11. TERMINATION OF PROVISIONS OF ACT.

(a) DETERMINATION OF ABOLITION OF APARTHEID.—If the President determines that the system of apartheid in South Africa has been abolished, the President may submit that determination, and the basis for the determination, to the Congress.

(b) JOINT RESOLUTION APPROVING DETERMINATION.—Upon the enactment of a joint resolution approving a determination of the President submitted to the Congress under subsection (a), the provisions of this Act, and all regulations, licenses, and orders issued to carry out this Act, shall terminate.

(c) DEFINITION.—For purposes of subsection (a), the "abolition of apartheid" shall include—

(1) the repeal of all laws and regulations that discriminate on the basis of race; and

(2) the establishment of a body of laws that assures the full national participation of all the people of South Africa in the social, political, and economic life in that country.

SEC. 12. DEFINITIONS.

For purposes of this Act—

(1) INVESTMENT IN SOUTH AFRICA.—The term "investment in South Africa" means establishing, or otherwise investing funds or other assets in, a business enterprise in South Africa, including making a loan or other extension of credit to such a business enterprise.

(2) UNITED STATES PERSON.—The term "United States person" means any United States resident or national and any domestic concern (including any permanent domestic establishment of any foreign concern), and such term includes a bank organized under the laws of the United States;

(3) SOUTH AFRICA.—The term "South Africa" includes—

(A) the Republic of South Africa,

(B) any territory under the administration, legal or illegal, of South Africa, and

(C) the "bantustans or homelands", to which South African blacks are assigned on the basis of ethnic origin, including the Transkei, Bophuthatswana, Ciskei, and Venda.

(4) FOREIGN AFFILIATE.—A "foreign affiliate" of a United States person is a business enterprise located in a foreign country, including a branch, which is controlled by that United States person.

(5) CONTROL.—A United States person shall be presumed to control a business enterprise if—

(A) the United States person beneficially owns or controls (whether directly or indirectly) more than 50 percent of the outstanding voting securities of the business enterprise;

(B) the United States person beneficially owns or controls (whether directly or indirectly) 25 percent or more of the voting securities of the business enterprise, if no other person owns or controls (whether directly or indirectly) an equal or larger percentage;

(C) the business enterprise is operated by the United States person pursuant to the provisions of an exclusive management contract;

(D) a majority of the members of the board of directors of the business enterprise are also members of the comparable governing body of the United States person;

(E) the United States person has authority to appoint a majority of the members of the board of directors of the business enterprise; or

(F) the United States person has authority to appoint the chief operating officer of the business enterprise.

(6) LOAN.—The term "loan" includes an extension of credit as defined in section 201(h) of the Credit Control Act (12 U.S.C. 1901(h)).

(7) BANK.—The term "bank" means—

(A) any depository institution as defined in section 19(b)(1)(A) of the Federal Reserve Act (12 U.S.C. 461(b)(1)(A)),

(B) any corporation organized under section 25(a) of the Federal Reserve Act (12 U.S.C. 611 et seq.),

(C) any corporation having an agreement or undertaking with the Federal Reserve Board under section 25 of the Federal Reserve Act (12 U.S.C. 611 et seq.), and

(D) any bank holding company as defined in section 2(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(a)).

(8) BUSINESS ENTERPRISE.—The term "business enterprise" means any organization, association, branch, or venture which exists for profitmaking purposes or to otherwise secure economic advantage.

(9) BRANCH.—The term "branch" means the operations or activities conducted by a person in a different location in its own name rather than through a separate incorporated entity.

(10) POLITICAL PRISONER.—The term "political prisoner" means any person in South Africa who is incarcerated or persecuted on account of race, religion, nationality, membership in a particular social group, or political opinion, but the term "political prisoner" does not include any person who ordered, incited, assisted, or otherwise participated in the persecution of any person on account of race, religion, nationality, membership in a particular social group, or political opinion.

SEC. 13. APPLICABILITY TO EVASIONS OF ACT.

This Act and the regulations issued to carry out this Act shall apply to any person who undertakes or causes to be undertaken any transaction or activity with the intent to evade this Act or such regulations.

SEC. 14. CONSTRUCTION OF ACT.

Nothing in this Act shall be construed as constituting any recognition by the United States of the homelands referred to in section 12(3)(C) of this Act.

AMENDMENT OFFERED BY MR. ZSCHAU

Mr. ZSCHAU. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ZSCHAU: Page 20, line 11, strike out "or".

Page 20, line 15, strike out the period and insert in lieu thereof a semicolon.

Page 20, insert the following after line 15:

(4) the establishment by a United States person of a business enterprise in South Africa if that United States person first certifies to the President that the person will, in the operation of that business enterprise, implement those principles set forth in subsection (c); or

(5) an investment by a United States person who—

(A) operates or controls a business enterprise in South Africa, and

(B) in the operation of that business enterprise, implements those principles set forth in subsection (c),

if the investment is made in that business enterprise.

(c) STATEMENT OF PRINCIPLES.—The principles referred to in paragraphs (4) and (5)(B) of subsection (b) are as follows:

(1) DESEGREGATING THE RACES.—Desegregating the races in each employment facility, including—

(A) removing all race designation signs;

(B) desegregating all eating, rest, and work facilities; and

(C) terminating all regulations which are based on racial discrimination.

(2) EQUAL EMPLOYMENT.—Providing equal employment for all employees without regard to race or ethnic origin, including—

(A) assuring that any health, accident, or death benefit plans that are established are nondiscriminatory and open to all employees without regard to race or ethnic origin; and

(B)(i) implementing equal and nondiscriminatory terms and conditions of employment for all employees, and (ii) abolishing job reservations, job fragmentation, apprenticeship restictions for blacks and other nonwhites, and differential employment criteria, which discriminate on the basis of race or ethnic origin.

(3) EQUITABLE PAY SYSTEM.—Assuring that the pay system is equitably applied to all employees without regard to race or ethnic origin, including—

(A) assuring that any wage and salary structure that is implemented is applied equally to all employees without regard to race or ethnic origin;

(B) eliminating any distinctions between hourly and salaried job classifications on the basis of race or ethnic origin; and

(C) eliminating any inequities in seniority and ingrade benefits which are based on race or ethnic origin.

(4) MINIMUM WAGE AND SALARY STRUCTURE.—Establishing a minimum wage and salary structure based on the appropriate local minimum economic level which takes into account the needs of employees and their families.

(5) INCREASING BLACKS AND OTHER NONWHITES IN CERTAIN JOBS.—Increasing, by appropriate means, the number of blacks and other nonwhites in managerial, supervisory, administrative, clerical, and technical jobs for the purpose of significantly increasing the representation of blacks and other nonwhites in such jobs, including—

(A) developing training programs that will prepare substantial numbers of blacks and

other nonwhites for such jobs as soon as possible, including—

(i) expanding existing programs and forming new programs to train, upgrade, and improve the skills of all categories of employees, including establishing and expanding programs to enable employees to further their education and skills at recognized education facilities; and

(ii) creating on-the-job training programs and facilities to assist employees to advance to higher paying jobs requiring greater skills;

(B) establishing procedures to assess, identify, and actively recruit employees with potential for further advancement;

(C) identifying blacks and other nonwhites with high management potential and enrolling them in accelerated management programs; and

(D) establishing timetables to carry out this paragraph.

(6) IMPROVING LIFE OUTSIDE THE WORKPLACE.—Taking reasonable steps to improve the quality of employees lives outside the work environment with respect to housing, transportation, schooling, recreation, and health, including—

(A) providing assistance to black and other nonwhite employees for housing, health care, transportation, and recreation either through providing facilities or services or providing financial assistance to employees for such purposes, including the expansion or creation of in-house medical facilities or other medical programs to improve medical care for black and other nonwhite employees and their dependents; and

(B) participating in the development of programs that address the education needs of employees, their dependents, and the local community.

(7) FAIR LABOR PRACTICES.—Implementing fair labor practices, including—

(A) recognizing the rights of all employees, regardless of racial or other distinctions, to self-organization and to form, join, or assist labor organizations, freely and without penalty or reprisal, and recognizing the right to refrain from any such activity;

(B) refraining from—

(i) interfering with, restraining, or coercing employees in the exercise of their rights of self-organization under this paragraph,

(ii) dominating or interfering with the formation or administration of any labor organization, or sponsoring, controlling, or contributing financial or other assistance to it; except that an employer may permit employees to confer with the employer during working hours without loss of time or pay,

(iii) encouraging or discouraging membership in any labor organization by discrimination in regard to hiring, tenure, promotion, or other condition of employment,

(iv) discharging or otherwise disciplining or discriminating against any employee who has exercised any rights of self-organization under this paragraph, and

(v) refusing to bargain collectively with any organization freely chosen by employees under this paragraph; and

(C)(i) allowing employees to exercise rights of self-organization, including solicitation of fellow employees during nonworking hours, (ii) allowing distribution and posting of union literature by employees during nonworking hours in nonworking areas, and (iii) allowing reasonable access to labor organization representatives to communicate with employees on employer premises at reasonable times where there are no other available channels which will enable the labor organization to communicate with employees through reasonable efforts.

Mr. ZSCHAU (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ZSCHAU. Mr. Chairman, I strongly support the objectives of H.R. 1460. This bill was designed to provide pressures and incentives on the South African Government to take specific actions to end apartheid. It also attempts to disassociate the United States from supporting the mechanisms of apartheid, and it sends a strong symbolic signal to the Government of South Africa.

Unfortunately, although the objectives of the bill as it is written are good, it has some flaws in it. I will be offering a series of four amendments to address these flaws.

The flaws fall into two categories. One is that it is based on unilateral action by the United States, when we all know that economic sanctions are most effective when they are entered into on a multilateral basis.

Second, and perhaps most importantly, the sanctions as they are currently written are not focused enough. They are not focused on the negative aspects that we are trying to eliminate, nor do they recognize some of the positive aspects of activities by the United States firms in South Africa.

This first amendment that I am offering amends section 4. Section 4 bans new investments in South Africa. But in section 4, there are three exceptions to that overall ban. One of those exceptions is that bank loans and extensions of credit are permitted to housing, educational, and health facilities that do not discriminate.

Why was that exception made? It was made because those activities have a positive effect on the quality of life of some black South Africans—not all black South Africans, perhaps not the majority of black South Africans—but they have a positive effect on the quality of life of some South Africans.

My amendment would create a similar exception. It would be an exception for investments in enterprises that follow fair employment principles that are often referred to as the Sullivan principles. The principles that I refer to in my amendment are those principles that we endorsed in this House as title III in the Export Administration Act last year, H.R. 1436. It would mean that those companies that are following those fair employment principles are indeed having a positive effect on black South Africans, and, therefore, we should not ban new investment by those companies.

Some will argue that the impact of the Sullivan Code compliant companies is small. I agree that it is small. But it is positive. They have a small, positive impact much like loans to education, housing, and health facilities that do not discriminate.

So let us not throw the baby out with the bath water, even though the baby may be small. Instead, let us encourage the positive effect by U.S. companies that are compliant with the Sullivan Code.

Second, it is argued that the ban as it is written in the bill would not really reduce jobs for blacks that are being employed by Sullivan Code companies or other companies. However, we can look to the example of Sweden. Sweden enacted a freeze on investment in 1979. By this year, the number of employees in Swedish firms in South Africa has been cut in half.

It would seem to me that if we have a force that is positive, even though it is a small force, toward improving the quality of life of black South Africans, we should not stifle it; we should encourage it. That is what my amendment would do.

Rather than having an across-the-board ban on new investment, it would recognize that those companies that are complying with the Sullivan Code are having a positive effect. Those companies should be allowed to expand. New companies that comply with the Sullivan Code should be allowed to get started in South Africa. That is what my amendment would do.

Mr. WOLPE. Mr. Chairman, I rise in opposition to the amendment offered by my distinguished colleague, the gentleman from California [Mr. ZSCHAU].

Mr. Chairman, before laying out my objections to this particular amendment I do want to say to my distinguished colleague that I think that he has made a very constructive contribution to the debate that has taken place thus far with respect to the anti-apartheid legislation that is before this body.

He will, as he noted in his remarks, be offering four separate amendments, and we intend to accept at least two of the four of those amendments which I believe will represent constructive improvements to the legislation before the body. So I certainly respect his intentions and the constructive nature of the contribution that he is making.

□ 1800

I must oppose his amendment, however, that is now before this body, because it seriously weakens what are in fact very modest sanctions that are incorporated in H.R. 1460.

I will be in the position, I might add, later on, of opposing even some amendments that propose to add new sanctions to those that are embodied in this legislation.

The elements of the legislation before this body were by and large before us in this House in the last session of Congress and enjoyed the support of this body. They are effective measures designed to send to the South African Government and to both the black and white populations of South Africa a clear indication that the American people understand very clearly that constructive engagement has had enormously destructive consequences, both with respect to the process of changes in South Africa, and with respect to American national interests.

Our concern is the policies of the South African Government fundamentally. Let it be clearly understood that American corporations who do business in South Africa, of course, ought to behave as if they were all signatories to the Sullivan Code. To say that is to say nothing more and nothing less than American companies functioning in South Africa should behave as if they were operating within the United States, adhering to practices of equal employment opportunity and equal justice in the workplace.

But we intentionally did not include Sullivan Code-related measures as part of this legislation because the authors of this legislation wanted to make very clear that our focus was the South African Government, not American corporate activity. It will be my intention, as I have indicated on other occasions, to take up separately within my committee legislation related to the Sullivan Code. Mr. SOLARZ, the gentleman from New York, and Mr. GRAY, the gentleman from Pennsylvania, will be sponsoring that particular body of legislation. But the issue that is fundamentally before us when we talk about apartheid is not job segregation, job discrimination, economic conditions of the workplace. The fundamental question is political rights. And the purpose of the sanctions incorporated in H.R. 1460 is to say to the South African Government that the United States will not countenance additional infusion of capital into that country from American corporations until there is demonstrable progress away from the system of apartheid.

It is a modest initiative. It does not call for disinvestment at this point, but it does say that we will not permit more American capital to flow into the country, effectively supporting the system of apartheid and the economy that underpins that system.

What the Zschau amendment would do is say effectively that the no new investment ban will be maintained except for firms that apply the Sullivan Code. There is absolutely nothing, I might add, relating to enforcement of the Sullivan Code within the Zschau amendment. But beyond that, I would submit to Members of this body, that we do not want to be in a position of essentially saying that we are going to allow any additional capital to flow into that country until steps are taken to dismantle apartheid. The issue is not whether American firms are behaving as American firms should behave; the issue is whether or not we are going to make our diplomacy credible. For the past several years we have heard consistently verbal condemnations of the system of apartheid, and yet business as usual is being conducted.

Mr. CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLPE] has expired.

(By unanimous consent, Mr. WOLPE was allowed to proceed for 1 additional minute.)

Mr. WOLPE. Yet we have seen business conducted very much as usual. I will resist and must resist the amendment by the gentleman from California [Mr. ZSCHAU] because it really weakens the sanctions that are now in this legislation, which sanctions are themselves a very modest beginning of the redirecting of our foreign policy toward South Africa.

Mr. ZSCHAU. Mr. Chairman, will the gentleman yield?

Mr. WOLPE. I will be very happy to yield to the gentleman from California.

Mr. ZSCHAU. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I certainly appreciate the thoughtful remarks that the gentleman has made in reaction to my amendment.

Mr. Chairman, I have a question for the gentleman and that question is this: In the gentleman's opinion, do the companies from the United States who have subsidiaries in South Africa that comply with the Sullivan Code maintain better employment practices than companies typical of South Africa itself, vis-a-vis the blacks or European countries that have subsidiaries in South Africa?

Mr. WOLPE. If I may reclaim my time.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. WOLPE] has expired.

(By unanimous consent, Mr. WOLPE was allowed to proceed for 2 additonal minutes.)

Mr. WOLPE. Let me say to the gentleman from California that I think there are some companies that are Sullivan Code signatories that in fact pursue employment practices that are substantially more progressive than those that are not Sullivan Code signatories. But there are many Sullivan Code signatories, in effect, not in compliance with the code and have been held to be not in full compliance by the Arthur D. Little monitoring agency that has pursued a review of Sullivan Code compliance.

Let me say, though, beyond that, to the gentleman from California, that I believe that there are a number of American firms who have undertaken economic activity in South Africa, that have become Sullivan Code signatories, that are deeply opposed to apartheid and have made some very constructive contributions by effective implementation of the Sullivan Code. I have some firms from my own congressional district that I think have made enormous constructive and sincere contributions to the economic conditions for black employees within those firms. But we need to understand two points. The first is that there is a very small fraction of the total nonwhite population that is employed by those firms, a total of about 70,000 black Africans, for example, less than 1 percent of the total black work force; when we consider the 26 million nonwhites in South Africa you get a sense of how few people are caught up within those Sullivan Code signatory firms.

Second, all of that positive development with respect to economic conditions notwithstanding, there is no evidence whatsoever that those constructive economic changes which have occurred within those few firms involving those few workers have had the least impact upon political liberalization. In fact, at the very same time we have seen the process of industrialization continued and extended, at the very same time we have had Sullivan Code companies that attempt to enforce workplace conditions that obviously are progressive and make sense, we have seen intensified repression and a growing commitment on the part of the Afrikaners to resist any fundamental change.

My concern is that we not mistake economic and social changes occurring within the workplace situation as somehow leading to the kind of inevitable process toward elimination of apartheid.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. ZSCHAU and by unanimous consent, Mr. WOLPE was allowed to proceed for 2 additional minutes.)

Mr. ZSCHAU. Mr. Chairman, will the gentleman yield to me?

Mr. WOLPE. I surely would be pleased to yield to the gentleman from California.

Mr. ZSCHAU. Mr. Chairman, I respect the gentleman's opinion on this, and the bill and the objectives of the bill, as I said, in the well. And I understand that each element of the bill is not a complete solution. But we should look at them as a composite. There is a ban on bank loans, no bank loans to the Government of South Africa. There are some export limitations. There are some import limitations when it comes to the krugerrand. Within the context of all of that it

seems like we have a combination of sanctions on the government directed toward the government, directed toward the apartheid-supporting aspects of the government and then we can have, in addition to that, some positive factors that work in the economy to benefit the black South Africans. This particular amendment would take what I consider to be a meat cleaver approach and turn it into a scalpel, to say that those companies that do not comply with fair employment practices, and we can write the regulations that would enforce that, that is a part of the bill; that those companies should not expand, those companies should not get started; but those companies, no matter how few that are making a positive contribution through the lives of black South Africans, we should encourage them to expand. And in conjunction with the other sanctions directed toward the government we have an overall comprehensive approach to the problem.

□ 1810

Mr. WOLPE. Will the gentleman yield?

Mr. ZSCHAU. I yield to the gentleman.

Mr. WOLPE. Again, I think the real judgment is, what is effective? I think the South African Government, its own officials through their own public statements have made clear what they are most deeply concerned about is not Sullivan Code companies and whether they comply or do not comply with workplace standards.

What they are concerned about is the prospect that new capital infusion will be limited into their country; that there will be no new investment established as a form of policy; it has already happened by some European countries.

That is the real measure of effectiveness from the standpoint of the Afrikaner government. So my hope is that we will not weaken what is in place within this legislation, which is a ban on any new investment, from the United States though companies that are already there could in fact reinvest their retained earnings.

(On request of Mr. ZSCHAU and by unanimous consent, Mr. WOLPE was allowed to proceed for 1 additional minute.)

Mr. ZSCHAU. Will the gentleman yield?

Mr. WOLPE. I yield to the gentleman.

Mr. ZSCHAU. I would just like to point to the gentleman, as he well knows, that the amount of investment that the United States made relative to the total foreign investment is a small fraction, a significant fraction, but about 17 percent, as I understand the numbers.

So that the impact of disinvestment, no new investment by the United States, would not bring the government to its knees or change it in a dramatic way. That can be replaced by foreign investment coming from other countries.

Mr. WOLPE. Mr. Chairman, if I can reclaim my time to respond. The gentleman, I am afraid, is somewhat in error. The United States, it turns out, is the second largest investor within South Africa, second only to Great Britain.

Twenty two percent, I think it is, of the total investment, foreign investment in South Africa, is American investment. Now while from an American standpoint the total investment activity is relatively small, from the South African standpoint it is very substantial, and it is that substantiality that provides some very significant leverage to the United States, if we are prepared now to use that leverage.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Zschau amendment.

Mr. Chairman, I greet this topic with some trepidation, because I do not think anybody has got all the answers. It is a very difficult, almost intractible problem.

When you are dealing with a country with 26 million blacks, broken up into nine major tribes, 5 million whites, you have the ingredients for political tragedy, and that is what we have in South Africa.

I do not address this topic, suggesting that I have all the answers. I do not, or have any answers, but I would like to share some of my thinking on this problem, and in an effort to balance some of the debate.

Let us start out with the statement, nobody supports apartheid. Nobody supports it; everybody rejects it. It is repulsive.

Now, how do we get rid of it? It seems to me that is what we are talking about.

First of all, I would like to disagree respectfully with my colleagues who have said that the Republic of South Africa is the only country that legally disenfranchises people because of their race.

I would read to you from the Constitution of the Republic of Liberia, adopted October 19, 1983, article 27, subparagraph (b) and I quote:

> In order to preserve, foster and maintain the positive Liberian culture, values and character, only persons who are Negroes or of Negro descent shall qualify by birth or by naturalization to be citizens of Liberia.

Now, article 22, subparagraph (a) of the same Approved Constitution of the Republic of Liberia:

> Every person shall have the right to own property alone as well as in association with others; provided that only Liberian citizens shall have the right to own real property within the Republic.

So let us not continue to say only South Africa has a racist constitution.

Now let us talk about the repression that goes on in South Africa. I suggest to you there are other forms of apartheid. I suggest to you the Soviet Union practices religious apartheid, and Anatoly Shcharansky or Andrie Sakharov would welcome the freedom that Bishop Tutu has; to leave the country, to come over to the United States, to participate in assemblies, to accept the Novel Prize.

Sakharov and Shcharansky should live so long, they would have that kind of freedom.

Now I am not justifying the repression in South Africa. I am saying, let us look at things in context. When I see the thousands of people, probably million of people that are starving in Ethiopia through the official government practices and procedures, where for example they burned a refugee camp—I wonder why there are no pickets at the Ethiopian Embassy?

Now I ask my colleague and friend Mr. WOLPE whether his subcommittee, which is the conscience of this House on matters African, what they were going to do about that, and he said,

> I wrote a letter with Mr. LELAND and Mr. WEISS, a letter to Colonel Mengistu, telling him the perceptions were not good, if they kept this up.

Well, OK, that is something; but I just suggest that the entire continent needs half the attention we give South Africa.

"Ghanaians Claim Mistreatment—Thousands Remain Stranded in Nigeria." Tales of death, deprivation and hostility unfolded today as Ghanaian workers expelled by Nigeria arrived by sea; 700,000 of them being expelled. On and on and on.

I am not justifying what South Africa does; I am suggesting there is a myopia that focuses consistently at South Africa and fails to look at the rest of the continent which, when it comes to human rights, is literally a basket case.

Now the remedy to get rid of apartheid, it seems to me, is not disinvestment but on the contrary is what Mr. ZSCHAU is suggesting; investment with a mandated compliance with the Sullivan principles.

I suggest to you that apartheid flourishes in a lesser developed country where the blacks are confined to be hewers of wood and haulers of water, laborers, but as rapid industrialization and growth occurs, the white minority is going to need blacks to be managers, develop skills to be high-tech employees, urbanize them instead of keeping them in the hinterland where in the cities living conditions and racially restrictive laws will of necessity break down.

Apartheid works only in a country with low economic growth; but high growth and rapid industrialization will put a terminal strain on apartheid.

(By unanimous consent, Mr. HYDE was allowed to proceed for 2 additional minutes.)

I am suggesting that in a country that is industrializing, that must utilize its black people in higher jobs and in better jobs, that means better education; that means black unions, and that means that political power which always follows economic power.

Divestment, on the other hand, without any aid from the Sullivan principles, will result in further unemployment, will result in deprivation, will result in hunger, and I dare say in revolution.

Now, if you want revolution then let us go that route, but if you want to solve a very difficult problem, that is not unique in Africa and not unique in this world, we ought to do it in a more enlightened fashion.

I support the Zschau amendment.

I yield back the balance of my time.

Mr. MITCHELL. Mr. Chairman, I rise in opposition to the amendment.

I want to take this opportunity to refresh our thinking, and to try to put some things in perspective. Earlier today, one of our colleagues likened the situation in South Africa to the apartheid system that existed in America insofar as blacks were concerned, only up until very recently.

I lived through that period, and I saw some of the same tactics that are being used today employed against me and my people in order to obscure, in order to detract from, in order to circumvent the real issue of facism in this country.

What were the tactics? One was that "After all, you've got to be gradualist; you can't change these things overnight; let them gradually evolve," and I heard that, and my black colleagues heard that for all of our lives. If we had been waiting for gradualism, I would not be standing in this House floor today.

Finally we had enough of it, and we seized the initiative; all up and down this country we went on strikes, protests—we did some terrible things out of our frustration, but gradualism was a stinking word and it is just as smelly to me today used in this context as it was in those times.

Let me refresh your thinking a little bit more about how we blacks in America were deterred from seeking full citizenship, which we still do not have. One was to always create another problem: "Don't deal with the issue of racism in America, why don't we focus in on employment opportunities; why don't we focus in on education, why don't we focus in on everything else except the central issue: racism?"

That is the exact same tactic that is being used today in this Chamber. That is the old "divert your thinking" tactic in the hope that somehow or another people will somehow or another accept their status as less than human beings.

It did not work in this country, and it is not going to work in South Africa. I can assure you, and those who stand up before us, prating about, prating about problems in other countries, that is the same thing that happened in terms of our protest in front of the South African Embassy; those who do no care saying, "Well, why aren't you focusing in on the problems of black unemployment in this country? Why aren't you focusing in on this? Why aren't you focusing in on that?"

Only for one reason: To divert us from a central attack on racism, which is systemic and deep in the Union of South Africa.

I respectfully submit to you, my colleagues, do not be fooled by these old tactics and strategies; do not be misled by those attempts to confuse us and divert us from the issue. There is one issue. One issue requiring one solution, and that is to end racism in South Africa.

How do you do it? You do it by attacking the economic soft underbelly of South Africa. That is how it is done, and in no other fashion.

I yield back the balance of my time.

Mr. SOLARZ. Mr. Chairman, I rise in opposition to the amendment.

Mr. HYDE. Will the gentleman yield to me for a second?

Mr. SOLARZ. For my very good friend from Illinois, I am always happy to yield.

Mr. HYDE. I thank the gentleman.

I just want to comment that the remarks of the previous speaker questioned the motivation of myself. He said I prated about other countries in Africa.

I suggested, when I was in the well, that sometimes these things should be put in context, and I attempted to do that. The gentleman may not like to hear about the other countries such as Ethiopia and Nigeria, but my motives are not to divert anybody's attention—on the contrary, to direct attention to the problem as it exists in Africa; not in just one country.

Thank you for yielding.

Mr. MITCHELL. Will the gentleman yield to me for 30 seconds?

Mr. SOLARZ. It is an even greater pleasure to yield to my friend from Maryland.

Mr. MITCHELL. Thank you, because I very carefully worded my statement; I did not refer to any single person. Several persons talked about other problems that we had during the general debate; not just you. When I talked about prating, I obviously would not confine the prating process solely to the gentleman from Illinois.

□ 1820

Mr. SOLARZ. Mr. Chairman, I move to strike the requisite number of words.

This was a very interesting colloquy between the gentleman from Illinois and the gentleman from Maryland. And I must say, after listening to the eloquent address of my friend, the gentleman from Illinois, I am a little bit perplexed with the conclusions that he appears to have reached on the basis of his analysis of the human rights situation throughout Africa as a whole.

I would be the first to agree with the gentleman that, from a human rights point of view, there are many other countries in Africa that leave a lot to be desired, but I fail to see how the abuse of human rights in a country in black Africa constitutes a justification for our failure to do something about the abuse of human rights in South Africa.

If there are real and serious human rights problems in other countries in Africa and around the world, let us by all means deal with them.

A few years ago, when Idi Amin was running Uganda and there were some very serious human rights problems in that country, we held hearings on it, and we reported out legislation calling for a total embargo against Uganda. It passed the House by an overwhelming margin. I did not hear anybody on the other side on that occasion, or on this side, for that matter, get up and say we should not impose sanctions against Uganda because of the situation in South Africa and that it would be duplicitous and hypocritical for us to single out Uganda for sanctions when we were not doing anything at the time about the situation in South Africa. If there are human rights problems, let us deal with them as they come up. We have imposed sanctions against Cuba, Vietnam, North Korea, Laos, Cambodia, we have imposed sanctions against Poland and the Soviet Union, we have imposed sanctions against non-Communist countries like Libya and Uganda. When those sanctions were imposed, either by the Congress or by the President, I did not hear a lot of people get up and say, "No, let us not act, because we have not yet imposed sanctions against South Africa." People on both sides of aisle, Democrats as well as Republicans, recognize that if there is a serious abuse of human rights that cries out for an American response, we ought to respond, and we ought not to be politically paralyzed by our failure to simultaneously act against every other human rights violation around the world.

So, as they say in the Book, there is a time to reap and there is a time to sow. There is a time to apply sanctions against South Africa and there is a

time to move against other countries. And in due course we will.

But, Mr. Chairman, this is really said all by way of one big parenthesis, because I took the floor not to respond to my very good friend, the gentleman from Illinois, but rather to address myself to the amendment offered by the gentleman from California. The gentleman's amendment attempts to, in effect, add the Sullivan principles to this legislation by requiring American firms doing business in South Africa to comply with those principles, but it also provides that any American firm which does comply with the Sullivan principles would be relieved of the prohibition against new American investment in South Africa.

I want to say very clearly to my good friend from California that I personally support the Sullivan principles I have introduced them in the past, together with the gentleman from Pennsylvania [Mr. GRAY], we have reintroduced them as a separate bill this year, and we have a commitment from the very distinguished chairman of the Subcommittee on Africa to not only hold hearings on that bill——

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

(By unanimous consent, Mr. SOLARZ was allowed to proceed for 5 additional minutes.)

Mr. SOLARZ. Now, the chairman of the Subcommittee on Africa, the gentleman from Michigan [Mr. WOLPE], has assured us that he will not only conduct hearings on that legislation but will also move it forward in an expeditious fashion. I am confident that, just as this House voted last year when we took up the Export Administration Act to include the Sullivan principles in that legislation, that when the time comes to vote on this bill, a majority of the Members will support it, because I think most of us would agree that so long as American investment is present in South Africa, at the very least, the American firms doing business there should comply with these fair employment principles.

My problem with the amendment of the gentleman from California is not so much with his effort to impose the Sullivan principles, which I favor, although as separate legislation, my problem with his amendment is the extent to which it would in effect permit new American investment in South Africa simply by enabling those firms that wish to do business there to set up shop and, by complying with the Sullivan principles, to become eligible for new investment. And this raises, I think, very starkly and very boldly a major issue for American foreign policy, and that issue is whether, in the effort to facilitate the elimination of apartheid, which is our common objective, it is in our interest to encourage new American investment in South Africa or to prohibit new American investment in South Africa. If one truly believes that the best way to eliminate apartheid over time is to further develop the economy of that country through new American investment, then I think the gentleman's amendment makes a lot of sense. If one believes, however, that encouraging additional American investment will not be helpful in terms of facilitating the elimination of apartheid, then I think the gentleman's amendment would be counterproductive.

Let me tell you why I think it is not in our interest to encourage additional American investment in South Africa, which is what the gentleman's amendment would do. For one thing, I reject categorically the argument that economic growth in South Africa is a necessary, let alone a sufficient, condition for the elimination of apartheid. Ever since the establishment of apartheid in 1948, South Africa has experienced enormous growth. Over the course of the last 3½ decades, there has also been an enormous increase in U.S. investment in that country. Today there are over 350 American firms doing business in South Africa. We have $2.6 billion in direct investment in that country. And over the last 37 years, in spite of this enormous economic growth, in spite of this enormous increase in the American corporate presence, in spite of the enormous increase in direct American investment in South Africa, the situation, from a political point of view, from the perspective of the black majority in that country, has gotten worse rather than better.

□ 1830

The apartheid system is more entrenched rather than less entrenched. So I think that the simplistic notion that economic growth, qua economic growth, is a solution to the problem simply does not hold up to the test of historical analysis.

Why do I believe that a prohibition on new investment is more likely to do the job? I think it is more likely to do the job because my reading of history tells me that there is not a single example throughout the long, sad saga of the human race, with all of the travails and troubles that we have experienced, of a single ruling establishment in the course of human history which has ever voluntarily divested itself of its power, its prerequisites or its privileges.

The only way that the white minority in South Africa will ever agree to repudiate the apartheid system is if they come to the conclusion that the price of maintaining apartheid exceeds the advantages of retaining it. That will happen only as a result of a combination of increasing internal and external pressure.

Now, I am not among those who would advance the argument that the adoption of the Anit-Apartheid Act of 1985, without the Zschau amendment, is going to bring the apartheid regime to its knees. Let nobody be under the illusion that the adoption of this legislation, and the prohibition on new American investment, will result in the instantaneous repudiation of apartheid and the establishment of a political paradise in perpetuity in South Africa.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

(By unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. SOLARZ. The future of South Africa will primarily be determined by the people of South Africa themselves, black as well as white. It is really up to them. But the United States and other countries around the world do have a role to play in increasing the external pressure on South Africa, which, in combination with the increasing internal pressure, is the necessary, if not the sufficient condition, for the ultimate repudiation of apartheid.

I believe that that is where the United States has an important role to play. That is the significance of the Anti-Apartheid Act of 1985. It will send a signal to the Government of South Africa that we will not continue to do business as usual with the apartheid regime so long as they maintain their system of institutionalized discrimination. It will enhance our capacity to mobilize the support of other countries around the world in an effort to get them to impose sanctions against South Africa as well. That increasing external pressure, in which the United States has the obligation to play a leadership role, together with the increasing internal pressure, is the only hope for the eventual elimination of apartheid. That is why I think my good friend from California's amendment, as well-intentioned as it may be, is sadly mistaken. It would obstruct the elimination of apartheid rather than facilitate it.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has expired.

(On request of Mr. GRAY and by unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. GRAY of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman.

Mr. GRAY of Pennsylvania. I certainly want to thank the gentleman for his very clear and very concise view on the subject, and certainly I agree totally with him.

I would just like to ask the gentleman a question. As he is one of the

major sponsors of the Sullivan principles, known as the Fair Employment Practices Act, and since Dr. Leon Sullivan is a constituent of mine, and I have known him for most of my life, it is your understanding, based on the testimony of Dr. Sullivan before the Subcommittee on Africa, as well as oped pieces that he has written in the last few weeks, that he does not stand for his fair employment practices or his Sullivan principles to be a substitute for any of the provisions of the Anti-Apartheid Act?

Mr. SOLARZ. The Reverend Sullivan, or the "Lion of Zion," as he is known to his parishoners at the Zion Baptist Church in Philadelphia, the gentleman whose principles my good friend from California seeks to embody in this legislation, has made it very clear over and over again, that he is in favor of a prohibition on new American investment in South Africa. I think I can say without fear of contradiction that if the Reverend Sullivan were a Member of this Chamber, and were in a position to vote on this amendment, he would vote against it, because while he would like to see his principles mandated by law, he would not want to see them mandated by law if the price of mandating them by law is to permit new investment in South Africa, which is what the gentleman from California's amendment is about.

Mr. GRAY of Pennsylvania. That is exactly the point that I wanted to make. Dr. Sullivan has made it clear ever since 1980 when he testified before the Subcommittee on Africa, and this gentleman from Pennsylvania was a member of that committee, and was chaired at that time by the distinguished gentleman from New York, he has made it consistently clear that the Sullivan principles are not a replacement for the provisions of the Anti-Apartheid Act, and, second, that his principles seek to get American companies to do that which they already should have been doing, which is providing fair employment opportunity within their plants.

What the Anti-Apartheid Act does is it seeks to bring about change outside of the plant in the larger political and economic order, and thus, Dr. Sullivan has made it very clear, including a recent op-ed piece in the Philadelphia Inquirer, which the gentleman from New York is holding right there, where he clearly says that he hopes there will not be confusion on this issue; that he supports the provisions of the Anti-Apartheid Act of 1985 because it seeks to do something totally different.

The CHAIRMAN. The time of the gentleman from New York has again expired.

(On request of Mr. ZSCHAU and by unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. ZSCHAU. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to the gentleman.

Mr. ZSCHAU. I have appreciated the reasoning and the explanation of the gentleman from New York, and I have enormous respect for his understanding of history and his ability to predict the future as well. My question to him is taking the Anti-Apartheid Act as a whole, with all of the other provisions in it, without the Zschau amendment, and then comparing that to the Anti-Apartheid Act with the Zschau amendment, what would be the difference, in your opinion, of the impact on the Government of South Africa?

Mr. SOLARZ. I think it would be a very significant difference in that with the Zschau amendment, the Anti-Apartheid Act would no longer result in a prohibition of new American investment in South Africa so long as the firms which do business there comply with the Sullivan principles. That would, in my view, substantially reduce the potential pressure against South Africa which would otherwise be applied with respect to the apartheid regime in that country, because it would become possible for any American corporation that wanted to invest in South Africa to do so simply by complying with the Sullivan principles.

Mr. ZSCHAU. If the gentleman would yield, it would seem to me along the lines of the gentleman's reasoning that the difference is that there would be not so much pressure from the standpoint of a ban on new investment, but there would be in addition a positive pressure from the greater reliance on the Sullivan principles.

The CHAIRMAN. The time of the gentleman from New York has again expired.

(On request of Mr. GILMAN and by unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. SOLARZ. I believe that the good which is done by the 350 American firms in South Africa which have a total black work force of 70,000, which is less than 1 percent of the total black work force in the country, is exceedingly limited.

I believe that the American corporate presence in South Africa may well make life in that country more bearable for those who work for those companies that are in fact complying with the Sullivan principles. But they do not begin to get the fundamental problem which is the exclusion of the black majority from any opportunity whatsoever to participate in the determination of their own destiny.

The solution to the problem in South Africa requires not incremental economic growth, it requires not a growing U.S. corporate presence.

□ 1840

What it requires is a fundamental decision by the white minority in that country to share power with the black majority, and their willingness to make that fundamental decision to cross the rubicon from racism on the one side to equality on the other will only be made in the context of increasing internal and external pressure, of which the United States, by its policy, has a role to play.

That is why I think if what the gentleman wants, is American firms in South Africa to comply with the Sullivan principles, which is an objective I support, the thing to do is to support the legislation Mr. GRAY of California and I have introduced when it comes up on the floor. But if the gentleman wants to bring an end to the apartheid system, then the way to do it is not to permit additional American investment, but to cut off additional American investment.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has again expired.

(On request of Mr. GILMAN and by unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. SOLARZ. By popular demand, I will remain for another 2 minutes, Mr. Chairman.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield to my very good friend, my patient colleague from the Empire State, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding and I wish to associate myself with some of the concerns that the gentleman from New York has outlined. While I understand and respect the sincere initiatives of the gentleman from California in support of applying the Sullivan principles as outlined in his amendment, I believe we must go beyond his proposal and support the approach contained in H.R. 1460 as introduced by the gentleman from Pennsylvania [Mr. GRAY]. It is important that our Nation send a much stronger signal, a more significant expression of our repugnance of the apartheid policy of the Government of South Africa.

Mr. Chairman, H.R. 1460, as reported by the Committee on Foreign Affairs, is a far reaching and comprehensive effort to demonstrate our Nation's rejection of apartheid and the cessation of our impatience with the official Government policy of South Africa which continues to support and to promote the suppression of millions of South Africans.

While I recognize concerns raised about some of the bill's mechanisms to respond to any positive steps undertaken by the Government of South Africa, I believe the intention of H.R.

1460 and the statements it makes are necessary to eliminate the more repressive actions imposed by South Africa on its black citizenry. I also want to take this opportunity to commend the ranking Republican on the Subcommittee on Africa, the gentleman from Michigan [Mr. SILJANDER] for his diligent and sincere efforts to develop a proposal to ameliorate the conditions left in the wake of apartheid. He has devoted long hours to this issue and that is evidenced by his erudite presentation.

However, Mr. Chairman, it is extremely important that we act now to take steps more comprehensive than that proposed by the gentleman from California if we are to prevent the widespread hostilities and bloodshed a continuing policy of apartheid would generate. Accordingly, I oppose the amendment and urge support for the original proposal as reported by the committee.

Mr. ZSCHAU. Mr. Chairman, will the gentleman yield?

Mr. SOLARZ. I yield again to my friend, the gentleman from California.

Mr. ZSCHAU. I thank the gentleman for yielding.

Mr. Chairman, the gentleman talks about the increase in the pressure finally bringing about change. Does the gentleman envision that that change would come as a result of a violence, an occurrence of violence; that the pressure finally amounts to the point where violence breaks out, or does the gentleman envision that builds up there will be an envolutionary of peaceful change?

Mr. SOLARZ. I hope change will not be the result of violence I pray that change will not be the result of violence. But I fear that change may end up being the result of violence.

It is precisely because I want to avoid a cataclysmic confrontation between the races in South Africa that I think it is imperative for us to maximize our pressure against the Government of that country, because unless the Government in South Africa is willing to move rapidly away from their apartheid system, I fear that violent change will become inevitable.

Mr. ZSCHAU. If the gentleman will yield further, it seems that the gentleman is really suggesting a combination of pressure and positive actions, which is the trust of my amendment.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has again expired.

(On request of Mr. WOLPE and by unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. SOLARZ. Mr. Chairman, as I tried to make clear to my friend, the gentleman from California, insofar as he would like to see the Sullivan principles applied to American firms doing business in South Africa, I agree entirely with him, and we will have legislation to that effect before the House in the relatively near future.

But insofar as his amendment would also permit additional American investment in South Africa, I disagree with him, because I think that works against our common objective. Our common objective is the elimination of apartheid, and one has to ask how will that best be achieved, through incremental economic growth, which is what would be facilitated by increasing investment, or by increasing pressure against the government, which is what would be accomplished by cutting off new investment.

Given those two models of change, my understanding of history leads me to the conclusion that the prospects for change are enhanced by increasing the pressure on South Africa, rather than providing continued incentives for additional American investments.

Mr. ZSCHAU. If the gentleman would yield further, it seems like a combination is also a third alternative, pressure by sanctions on bank loans and exports and things of that nature, and then an internal, positive economic growth for black South Africa.

Mr. WOLPE. Mr. Chairman, will the gentleman yield on that point?

Mr. SOLARZ. I would be happy to yield to the chairman of the subcommittee, the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman for yielding to me for a brief response.

Mr. Chairman, while focus has been placed upon the economic improvement in the lives of some black workers employed by Sullivan code firms, the Carnegie Foundation has been involved in a continuing study of the issues.

The CHAIRMAN. The time of the gentleman from New York [Mr. SOLARZ] has again expired.

(On request of Mr. WOLPE and by unanimous consent, Mr. SOLARZ was allowed to proceed for 2 additional minutes.)

Mr. WOLPE. Mr. Chairman, will the gentleman yield further to me?

Mr. SOLARZ. Let me just note that my human rights are being abused here by the obligation to remain on my feet indefinitely, but I yield to my friend, the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman for yielding to make, I think, the very important point that whatever the economic conditions that have been experienced by those blacks employed by Sullivan code signatories that have been enforcing the Sullivan code, it needs to be understand, as the Carnegie study makes very clear, that there has been a great increase of poverty in South Africa in the last 20 years as far as the vast majority of the black population has been concerned. The number made destitute by landlessness and unemployment, according to the Carnegie study, rose from some 250,000 to 1.43 million between 1960 and 1980. The number living below a very minimal poverty line but having some income increased from 4.9 million to 8.9 million during that same time frame.

It needs to be understood that the focus upon the economic conditions experienced by black employees of Sullivan code misses the largest part of the South African reality, which has been, No. 1, increased impoverishment of the vast majority of the population, and second, increased repression that has been accompanied in recent months by killings of hundreds and hundreds of blacks by South African police and the detention of all the nonviolent political leadership within the country.

The now move away from precisely the no-new-investment ban that this House passed just last session to create new loopholes in that no-new-investment ban for the purpose of allowing Sullivan code companies to continue to invest in South Africa and to add new capital to the country, I think, would be a terrible mistake in light of those recent developments in South Africa.

Mrs. JOHNSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I want to make absolutely clear, in light of earlier comments made here, that I rise in strong opposition to racism. I do rise in support of the amendment, and I consider it to be both a thoughtful and constructive amendment and regret the decision by my colleague from Michigan and my colleague from New York not to support it.

While I agree with much that they have had to say here, I believe that they are overlooking the fact that experience is an extremely powerful teacher. Those companies that are providing the experience of a workplace that operates according to rules of fairness, of respect for others, of equality, are companies that are providing an experience of enormous importance to individuals.

Imagine the impact, what a powerful difference it must be, to live in a nation governed by the brutal rules of apartheid and work in an environment governed by rules of equality and fairness. That is not a contrast in experience that we should forgo lightly. It is one whose presence we should foster and encourage.

The proponent of this amendment, in my estimation, is not proposing that these companies and that the Sullivan principles are a solution. I do not hold that they are a solution. In fact, experience teaches us that they are not a solution, but they do provide extremely valuable individual experience and community experience so important

that that experience should be fostered, enhanced and encouraged.

□ 1850

As to the issue of investment, the few firms affected by this amendment in the totality of investment in South Africa, considering not only American but other investors, this surely would not have a significant impact on the total amount of increased investment in South Africa, and yet it sends the message that we support increasing opportunities for individuals in South Africa to experience a different way of life, the very way of life that we hold out to them as offering hope, opportunity, and a future.

So I see this as a responsible, thoughtful amendment that merely perfects a very good bill and I think affirming the experience that these companies offer cannot undercut this bill, H.R. 1460, whose purpose it is to propose a much stronger policy for this Nation in regard to South Africa and in regard to reversing her domestic policies that support treatment of others that is so repugnant to all of us.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to begin my remarks on this subject, because I am going to talk a lot more later on in the debate, by making it very clear that I believe everyone here has the same intent. We can differ on strategies, and that is fair and legitimate. We can be honorable about it, but let us make it very clear that we all have the same intent and the same goal, and we are not conducting some kind of litmus test on civil rights by determining whether or not we agree on one particular strategy.

The amendment before us is, I believe, very essential to the bill that is now being considered, because we are going beyond the question of whether we simply want to vent our anger at the whites and the present Government of South Africa and whether we want to find ways in which we can make change.

I was one of those Members who had the opportunity to visit South Africa recently, and during my visit there I had an extensive opportunity to talk with various business people, et cetera. One of the things that became very, very clear is that, unlike the United States, in South Africa the business community is more progressive than the Government—not more conservative, but more progressive. They are the leaders of social change. And clearly American business is more progressive than South African business.

What do we do to help bring about change in South Africa, positive, constructive change, by saying no to American investment? No one debates the question that American business interests are the leading community for positive reform and change in South Africa. Presently approximately 70 percent of the American firms that are doing business in South Africa adhere to the Sullivan principles. We ought to mandate that each and every one of those firms do that, and then we ought to set them up as the example and the leadership of where we in this Government want to go to make a constructive change.

Much discussion has been focused in this debate on the amendment offered by the gentleman from California [Mr. ZSCHAU] as to exactly what we ought to do with this question of the Sullivan principles and what we ought to do with the immediate investment, the additional investment, et cetera, and we all, I think, fall prey to the age-old problem of choosing statistics which make us look good in defending our cause and choosing quotes which make us look good in defending our cause.

I would like to read a quote from the fellow who has become at least the moral and spiritual leader of change in South Africa and of the black community in South Africa, if not the official leader of those people, and that is obviously Bishop Desmond Tutu. I would like to read from the speech that he gave on February 3, when he was enthroned as the head of the Anglican Church. Here is what he said:

> May I point out that I have not as yet advocated disinvestment. Up to now I have called for international pressure, diplomatic, political but above all economic to persuade the South African Government to go to the conference table with the authentic representatives of all sections of our community.
>
> There is economic pressure used through things such as the different codes to seek to improve the lot of black workers.

That is like the Sullivan principles.

He goes on:

> Our concern is not for an amelioration or improvement of the apartheid dispensation. It is to see apartheid dismantled. Consequently I have said that we must all work together to see that goal achieved. I have actually called for increased foreign investment on stringent conditions—that black workers are housed as family units near the place of work of the breadwinner, no migratory labour, the unionisation of the black worker, the only real reform we have had and for which the government must be commended—thus the worker would be free to sell his labour wherever he pleases. So no influx control that applies only to blacks, massive investment in black education and training, an end to the denationalisation of blacks and so to forced population removals. These conditions should be implemented within 18 to 24 months. The onus is on the government. I give notice that if in 18 to 24 months from today apartheid has not been dismantled or is not being actively dismantled, then for the first time I will myself call for punitive economic sanctions.

Mr. Chairman, I will repeat again the words of Bishop Tutu.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

(By unanimous consent, Mr. GUNDERSON was allowed to proceed for 2 additional minutes.)

Mr. GUNDERSON. Mr. Chairman, I would again like to repeat the words of Bishop Tutu where he is saying that "I have actually called for increased foreign investment on stringent conditions."

The amendment offered by the gentleman from California [Mr. ZSCHAU] does exactly that. It sets out the stringent conditions, the Sullivan principles, which each and every Member of this body adheres to. And above and beyond that, what are we saying is let us have that increased foreign investment, let us have the conditions it has provided, and let us have the sanctions the gentleman from Pennsylvania [Mr. GRAY] offered earlier, and we will have a positive step toward achieving positive reform in South Africa.

We must answer the question with this particular amendment because I think we all recognize that the chances of the substitutes passing are not all that good—even mine. We must answer the question, do we simply want to make a moral statement that simply makes us feel good, or is our goal trying to be a positive influence on constructive change in South Africa?

Mr. Chairman, I ask that we support the amendment offered by the gentleman from California [Mr. ZSCHAU].

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I thank the gentleman for yielding.

I wanted to make the point to the gentleman that the legislation that is before us in its original form, without the amendment, provides not only for sanctions but also for a waiver of those sanctions if one or more elements of the system of apartheid are in the process of being stripped away or being dismantled. In fact, if there is continuing progress toward the elimination of apartheid, effectively prohibitions could be delayed, except for the bank loan prohibition, or could be suspended for some 4½ years to provide a reasonable time for that process of dismantling to be accomplished.

What Bishop Tutu was urging was that in 18 to 24 months he insisted that—in fact, some of his language suggests that he was talking about the total abolition of apartheid—or he said the active dismantling of apartheid had to be initiated. And I submit that our legislation, in the form in which it has been crafted, is far more consistent with the thrust of our goals.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

(By unanimous consent, Mr. GUNDERSON was allowed to proceed for 1 additional minute.)

Mr. GUNDERSON. Mr. Chairman, I will yield further to the gentleman from Michigan to allow him to complete his statement, and then I will take time to respond.

Mr. WOLPE. Mr. Chairman, let me just say to the gentleman that I, and others, have had long conversations with Bishop Tutu on this very subject. It is my belief that what he contemplates in that 18 to 24 months, the timeframe to which he referred, is that actual disinvestment measures could be applied if indeed progress had not been very, very manifest.

Our legislation does not call for disinvestment. It is really much more modest than that.

Mr. GUNDERSON. Mr. Chairman, let me reclaim my time. I realize that, and I have not made the charge that it does.

All I want to do is make it clear that even Bishop Tutu in the short term calls for increased foreign investment. That is why I think the gentleman's amendment makes so much sense, because it is saying that those American companies which abide by the Sullivan principles ought to be allowed to continue.

Mr. Chairman. I yield back the balance of my time.

□ 1900

Mr. SILJANDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. There was a comment made by the chairman of the committee that even though we have had signatories to the Sullivan principles of approximately 139 of the 350 American firms, that poverty has increased and the problems of the country have also increased.

Well, I am not so sure that we can blame that on signatories of the Sullivan principles or blame that on U.S. firms. Besides the fact that there is a recession and besides the fact that over half the population, black population in that country is under 20, that cannot camouflage the reality that the Sullivan principles over the recent several years have, in fact, contributed significantly to assisting blacks in South Africa. For example, since 1977, American firms have contributed $100 million for black education, black health and black housing. That cannot be ignored.

There are 77,000 black workers in U.S. firms. If the figures are right, those 77,000 employees feed between 6 and 10 other mouths, that 77,000 black employees becomes 462,000 to 777,000 mouths, black mouths, that are being fed.

Pace College in Soweto is a beautiful example of how productive U.S. firms can be and those that have signed the Sullivan signatories; $5 million was invested to build Pace College. It is one of the more advanced schools in South Africa in the category of white or black. There are 28 classrooms and no one is turned away. Not one black is turned away for lack of financing. In fact, 90 percent of all the students there are under scholarships by U.S. firms.

The Sullivan principles have helped, clearly, black upward mobility.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I think the point that the gentleman just made is a rather important one, because we have heard the argument time and time again that the Sullivan principles do not reach beyond the workplace, that somehow to be for the Sullivan principles does not get you beyond workplace criteria.

I think the gentleman has just pointed out how in this particular instance it has reached well beyond the workplace. It is helping to educate a coming generation of black South Africans that will in fact be leaders, not only in business and industry, but will become leaders in many aspects of life in South Africa.

So in fact in this case the very application of U.S. money and the application of the Sullivan principles has led to the development of an educational institution with broad ramifications far beyond the workplace; so I think the gentleman makes a very important contribution and I thank him for yielding.

Mr. WOLPE. Mr. Chairman, will the gentleman yield?

Mr. SILJANDER. I would be happy to yield.

Mr. WOLPE. Mr. Chairman, I thank the gentleman for yielding to permit me, if I may, to quote from some testimony of Bishop Tutu before our committee not long ago.

Mr. SILJANDER. Just to regain my time for 10 seconds, I hope the gentleman recognizes that I only have 5 minutes.

Mr. WOLPE. I will make a motion that the gentleman's time be extended.

Mr. SILJANDER. I yield to the gentleman from Michigan.

Mr. WOLPE. I thank the gentleman.

Mr. Tutu said before our committee:

I have tried to say to people that you should be aware that if I sat here and said before this committee that I support economic sanctions against South Africa, that that is an indictable offense and until recently on conviction the mandatory minimum sentence would be five years imprisonment, which indicates how the South African Government regards the importance of foreign investment. I have gone on to say that I do not in fact support the Sullivan code. While it has brought about some changes and improvements for some black workers, the basic weakness is that it is ameliorative, merely making things slightly more comfortable. Somebody has said we don't want our chains made comfortable. We want our chains removed.

I say to the gentleman, my distinguished colleague from Michigan, the ranking member of our committee, the point I was making earlier with respect to the Sullivan code signatory companies is not that they were responsible for the economic impoverishment of the vast majority of the black population. That was not my point. My point is that whatever economic improvement has attached to the lives of those blacks employed in the Sullivan companies, and I would fully acknowledge that many of these companies have made some very constructive contributions to those blacks employed by these firms.

I want to just restate that I believe that some of these firms that have adopted the Sullivan code that have recognized black trade unions and that have engaged in some very important efforts at establishing desegregated work environments and the like have made important contributions. I do not deny that. I have affirmed that on many occasions.

The point I am trying to make is that the amendment that is before us would call for a weakening of the flat prohibition on new investment in the circumstance in which economic impoverishment for the vast majority of the population is actually increased and political oppression has intensified.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. SILJANDER was allowed to proceed for 3 additional minutes.)

Mr. SILJANDER. Mr. Chairman, I yield to the gentleman from Michigan.

Mr. WOLPE. Just to conclude, Mr. Chairman, and to summarize, to move now to weaken the bans that are contained in this legislation, they are very modest measures, really, I think is a mistake in the face of the clear data establishing the massive impoverishment of the majority of the population and the intensified repression in the country, it would be a terrible mistake, it seems to me, to back away from the position this House took only in the last session of Congress.

Mr. SILJANDER. Mr. Chairman, to regain my time again, may I just ask the gentleman a question. The gentleman mentioned and quoted the testimony of Bishop Tutu, as the gentlemen quoted him saying, that it is, in fact, illegal to talk against prodisinvestment. Is that correct?

Mr. WOLPE. That was Bishop Tutu's comment.

Mr. SILJANDER. The gentleman said it was an indictable offense? How

many people have been indicted under that law in South Africa, just out of curiosity?

Mr. WOLPE. I cannot give the gentleman that particular number, but I can attest to the intimidating impact of that kind of law.

Mr. SILJANDER. Well, it cannot be too intimidating, because in 18 years, granted the law is bad and should be repealed, but also on balance, one person was indicted in 18 years and not convicted or charged for the charges were dropped. That was in 18 years.

Mr. WOLPE. I would only note, if the gentleman will yield further, that in this past year several thousand people have been arbitrarily arrested and detained because they dared to defy the system of apartheid.

Mr. SILJANDER. The detention rule is specifically a separate item which I have articulated on the floor a little earlier. The detention law, in fact, 18 million people have been detained for a host of reasons, some for actually totally illegitimate reasons; but to regain my time and to finish my point regarding the Sullivan principles, I think it is clear and I am glad the gentleman from Michigan has essentially agreed that the Sullivan principles have in fact, at least to some reasonable degree, contributed in a positive impact on that country and that society and the black community.

I only further state that one reason to support the amendment of the gentleman from New York [Mr. ZSCHAU] is to shore up the concern of the chairman, the gentleman from Michigan. He was concerned that some of the Sullivan signatories were not, in fact, fulfilling the obligations of the code, even though they had signed the code.

I would submit to the gentleman that by making this part of the bill, by making this essentially mandatory, cutting off new investment, most industries would be obligated to fulfill that obligation and all industries would likely be obligated, in fact, to become signatories.

I would further argue that if we do not have the Zschau amendment and we have banning of all new investment in South Africa, what incentive would there be for those that are signatories, that have contributed to the system, what incentive is there for them to remain as signatories and fully comply?

I would argue that many of them who are not complying may totally drop the Sullivan principles altogether, thereby complicating the economic conditions of South Africa.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to address a question to my friend, the gentleman from Michigan [Mr. SILJANDER], who has on more than one occasion raised the question or the statement that $100 million has been generously donated by American corporations for charitable purposes.

I have asked the subcommittee staff and they do not have much information on that. Can the gentleman enlighten us on who, when, where, what, how much?

In other words, this is a wonderful gesture of benevolence, but we do not have much record of it. The check may be in the mail, but that is not sufficient for our purposes in the debate.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. CONYERS. Yes, I yield to my friend.

Mr. SILJANDER. I would be more than thrilled to cite in the next 10 or 15 minutes, if the gentleman will be reasonable enough to give me the time, the specific amounts of money to the specific programs since 1977. Those programs in fact have contributed $100 million to black education, black housing, and black scholarships.

Mr. CONYERS. Well, the gentleman can take the time. We are going to be here on this matter for a number of days, so there is no particular rush.

Now, let me ask the gentleman another question, because I had to again refer to the staff as my mathematical abilities are rather limited.

□ 1910

Does the gentleman know what the ratio of 66,000 is to 9 million? I ask the gentleman from Michigan [Mr. SILJANDER], my friend, do you know what the ratio of 66,000 is to 9 million? That is the 66,000 black Africans that work for American corporations as opposed to the 9 million black Africans in the work force.

I will tell the gentleman I did not know either. It is eight-tenths of 1 percent.

I would like the gentleman to reflect upon that fraction, to understand the significant dimension of the Sullivan principles even at their fullest enforcement.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield on that point?

Mr. CONYERS. With pleasure.

Mr. GUNDERSON. I appreciate the gentleman yielding because that is the whole problem. I will guarantee you if economic sanctions would work I would be down here supporting them. I would be the author of the bill. I think that I have as close to a perfect civil rights record as anybody in this Congress.

But when you talk about 100,000, which I have heard, blacks working for American companies, when you talk about 3 percent of the GNP coming from American companies in South Africa's GNP, you quickly realize we cannot only ban new investment, we can require total disinvestment and we are still not going to be any more of a contributor to constructive change in South Africa.

Mr. CONYERS. That is another question which I am happy the gentleman raises, because the fact of the matter is that our contribution is highly capital intensive—the computers, the automobiles and vehicles, the oil, and the technology. There is not that mass of unskilled labor effect on our investment, and so what we have with disinvestment really is the best of all worlds. And, as the gentleman knows, we are No. 1 in trade and No. 2 in investment, which really makes us the biggest dealer with South Africa of any country in the world.

So as a result of that, what we would be doing by economic sanctions is getting the best of all worlds. We would be disemploying a very minimal number of black South Africans, but removing our support for the economic investigation of the apartheid system. If we loaded on the Sullivan principles, made mandatory enforcement, had an excellent review system, which we do not—and, by the way, all of the American corportations are not on to Sullivan even in 1985 as we debate this measure—but even if we did we would get back to that fraction, eight-tenths of 1 percent. That is the real world.

So with all due deference to Leon Sullivan, a very good friend of mine, these matters become relative modest in view of the magnitude of the number that we are dealing with.

I yield back the balance of my time.

Mr. GINGRICH. Mr. Chairman, I move to strike the requisite number of words.

When the gentleman from Pennsylvania offered steps against South Africa last time, I voted for it. I thought it was a good, symbolic vote to prove that we dislike and indeed condemn apartheid. And in the November-December period when the demonstrations against apartheid in South Africa attracted attention, along with 34 other Republicans, led by the gentleman from Pennsylvania [BOB WALKER], I signed a letter to the Ambassador of South Africa calling for an end to apartheid and threatening severe steps if violence continued and if the South African Government fails to move to take steps toward integration and political equality.

It is clear that in fact at the present time the South African Government has not done that. Neither has the violence stopped. Nor have they taken steps toward political equality. But I would raise questions of several of my colleagues who have talked about history and about reality in that when you study systematically the history of South Africa and you talk about South Africans, there are two major things I think that stand out about

the current bill and that the amendment offered by the gentleman from California [Mr. ZSCHAU], I think, improves.

I will talk briefly about both of them. The first is the question of the power of resistance of South African whites, and the second issue is who teaches South Africa how to be a free, integrated country.

On the first question, when we met with Chief Buthelezi, he said very explicitly if you can impose sanctions severe enough to require fundamental change by my government, go to it, but do not play games where all you do is lower the black standard of living, increase black unemployment, weaken black opportunity and do nothing fundamentally to change South Africa.

Now, when we cut off South Africa from American arms sales, a noble gesture against apartheid, do you know what happened? South Africa then becomes the eighth largest exporter of arms in the world. They built their own arms industry. They now hire people making weapons and they sell to everybody else in the third world who is quite happy to buy them.

Let us look at the question of how we are going to coerce the South African whites. What signal are you going to send to the dominant apartheid faction in South Africa, the Boars? The Boars, the last time they correctly challenged for control of their country and fought the British for more than 2½ years, they had virtually all of their population in concentration camps and ultimately were stopped only by sheer overpowering military force. You are going to now say to them no new investment unless you end apartheid?

The question I would ask second is: If all you are doing is a symbolic pinprick that will irritate the whites, worsen the standard of living of the blacks, minimize American influence, who fills the vacuum?

The reason I like the Zschau amendment and the reason frankly I almost would suggest now we seriously consider encouraging American investment in South Africa, if it is pro integration, if it meets a set of standards is because I have been asking the question of myself: If you were a South African white and you were sitting in southern Africa, and you were looking at Ethiopia, if you were looking at Uganda, if you were looking at Zimbabwe, and you were saying to yourself should I bet on extreme conservatism and a police state and a war, if necessary, or should I gamble on voluntary change, who is going to be sitting here at the country club or sitting there at the business lunch, who is going to be anywhere saying to them it is possible to integrate, it is possible to open up, it is possible to change? If we discourage American companies, who is going to teach the South Africans, who is going to inspire them?

Abba Eban, the former Foreign Minister of Israel in a recent book on foreign policy said that the greatest weakness of the liberal American drive for human rights is its inability to recognize that Iran could get worse, that Nicaragua could get worse, that moral gestures in and of themselves do not necessarily work.

I would suggest that the Gray-Solarz approach in its current form will fail because it will neither frighten the Afrikaaners nor will it lead to integration. The least it will have is almost no impact at all, but at worst what it will do, at worst it will weaken the South African economy, it will further isolate the white South Africans making them less likely to risk change, and it will further impoverish the black workers and thus lead more young unemployed blacks into radical, violent movement. It will further weaken American influence in South Africa, and it will create a vacuum which will at best be filled by Europeans, Japanese, Arabian firms, none of whom have any experience at integrating societies, none of whom have any experience of organizing an integrated system.

Let me suggest that the Zschau amendment basically is a step in the right direction. The Zschau amendment says if you American companies are willing to commit yourselves to integration, if you are willing to be in a sense the schools of democracy, or if not, it is basically a very conditional amendment.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. GINGRICH] has expired.

(By unanimous consent Mr. GINGRICH was allowed to proceed for 3 additional minutes.)

Mr. GINGRICH. It requires that Americans be allowed into South Africa only under circumstances where they are going to be systematically trying to increase the level of integration in South Africa.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I am glad to yield first to my distinguished friend from New York [Mr. SOLARZ].

Mr. SOLARZ. I thank the gentleman for yielding. I really have two questions that I wanted to ask him.

The first has to do with the letter that he, together with a number of his colleagues on the other side of the aisle, sent to the South African Ambassador on December 4. In that letter the gentleman will recall he said, as did his colleagues:

> We are looking for an immediate end to the violence in South Africa, accompanied by a demonstrated sense of urgency about ending apartheid. If such actions are not forthcoming we are prepared to recommend that the U.S. Government take the following two steps: One, curtail new American investment in South Africa unless certain economic and civil rights guarantees for all persons are in place; two, organize international diplomatic and economic sanctions against South Africa.

□ 1920

Now, since that letter was sent 240 blacks have been killed by the Government of South Africa. Is the gentleman now telling us that he is repudiating that letter?

Mr. GINGRICH. No.

Mr. SOLARZ. Do the sentiments that he expressed on December 4 no longer reflect his views?

Mr. GINGRICH. If I can reclaim my time, I am saying first of all that I very much reinforce that letter, that the Zschau amendment is conditional investment that says only if South Africa is willing to accept integrated companies, integrated workplaces, opportunities for blacks to learn the skills, of leading teams, of being involved in industrial life, only then is there investment. But let me go a step further, I am saying to my friend as a challenge, a leader on the Foreign Affairs Committee, that there are two things that his side has not confronted yet. One is if you seriously want to take on coercing South Africa, that is a very different issue indeed. It is one which I think has to be looked at in the long run. And that involves I think a systematic application of power on the scale none of us has talked about.

Mr. SOLARZ. If the gentleman will yield further.

Mr. GINGRICH. I yield to the gentleman.

Mr. SOLARZ. This leads to my second question because the gentleman has criticized the Anti-Apartheid Act of 1985 for a number of reasons, one of which is that it, paradoxically, does not go far enough, that it is only sufficient to irritate the Afrikaners and perhaps drive them further into a lock but not powerful enough to induce the kind of change he says we both seek. If that is the case, is the gentleman prepared today to say to the House that when the gentleman from California [Mr. DELLUMS] offers his substitute, which will require total disinvestment of American corporations from South Africa and which will establish a total embargo against trade with South Africa, that he will support that substitute?

The CHAIRMAN. The time of the gentleman from Georgia [Mr. GINGRICH] has expired.

(By unanimous consent, Mr. GINGRICH was allowed to proceed for 3 additional minutes.)

Mr. GINGRICH. I will yield in just a second, but let me first of all answer the gentleman [Mr. SOLARZ].

I admire his notion that the prospect of a little bad medicine ought to be replaced by a lot of bad medicine. But let me explain why. I think there

are two challenges that the gentleman is having a hard time wrestling with that he does not want to hear. The first is show me a series of actions so powerful that the hard-core resistance of the central government, and I do not mean the extreme rightwing fringe, of the central Government of South Africa understands what we are really talking about. I think you can do that. I think though that it involves very serious international actions, it involves bringing together a multinational effort but I think it could be done and I am willing to work with the gentleman to do that because the first test I am raising here, I say to the gentleman from New York, is the test of effectiveness in breaking the back of resistance of the South African Government to the fundamental question of whether they can integrate.

The second question which I think is equally hard I would say to the gentleman is if you get them to turn to you tomorrow morning and say "Fine, I want an integrated democratic society," who is going to teach them? The Americans that you partially pull out or the Americans that the gentleman from California [Mr. DELLUMS] totally pulls out? Because I asked some South Africans who work for American companies what would happen if we asked you to disinvest?

They said "I would take my savings and I would buy that company." Now you think that at a fire sale in which Afrikaners are buying American factories that they are going to mind the fact that we apply pressure? They will think that they are rich.

Mr. SOLARZ. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from New York.

Mr. SOLARZ. I simply say to my friend from Georgia that if he is not prepared to support the Dellums substitute then do not say to the Members in this Chamber that he is opposed to the Anti-Apartheid Act of 1985 because it does not go far enough. Because if what he is concerned about is we are not doing enough he ought to be supporting the amendment.

Mr. GINGRICH. Obviously the gentleman did not hear me because the point I am making is the Dellums amendment will not work either. It will further isolate the United States. All it will do is make sure that the Germans, the Arabians, Japanese buy the American companies or the Afrikaners do. Now how does that help integration in South Africa?

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman. May I ask him if he has not implicitly made a case against these sanctions on Nicaragua that he so enthusiastically——

Mr. GINGRICH. Absolutely; I did not enthusiastically support it. I did not enthusiastically support them.

Mr. CONYERS. Well, I am glad to hear him say that.

Mr. GINGRICH. Let me say to the gentleman from Michigan that it is precisely because I think the sanctions against Cuba have been irrelevant, while doing nothing to Castro but hurting the Cuban people—the embargo against Nicaragua in isolation is an irrelevancy and hurts America more than it hurts Nicaragua. And if this administration is not prepared to take systematic steps on Nicaragua it ought to drop the embargo. I agree with the gentleman on that point.

The point I am making to my friend from New York [Mr. SOLARZ] is simply unilateral economic actions by America weaken us more than they weaken the South African segregationists.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. GINGRICH] has again expired.

(On request of Mr. ZSCHAU and by unanimous consent, Mr. GINGRICH was allowed to proceed for 3 additional minutes.)

Mr. GINGRICH. Let me yield to my very distinguished Budget Committee Chairman.

Mr. GRAY of Pennsylvania. I thank the gentleman for yielding.

Mr. Chairman, let me ask the gentleman a question. We have had many conversations about this.

One, as I listened to him it would sound that he is giving a very good argument that we end up doing nothing at all. I know that is not what he is saying. But as you listen to the argument it would be "Let's do nothing because nothing is effective and nothing can bring about change."

I would simply ask the gentleman, some time ago, I think it was just a few months ago, we in this country stood up for what we thought was something that was an outrage, that occurred in the world in another nation. It occurred in a totalitarian state, a state where people were being oppressed, a place where no one, by the way, was being shot down on the streets as 500 have been killed in the last 6 months in South Africa, but a place where a group of labor people were trying to fight for dignity and human rights and that place was Poland. Could the gentleman tell me how did he feel about the President of the United States, through Executive action, applying sanctions there, since obviously no one in their right mind would imagine that we were going to bring down that government? How did the gentleman feel about that?

Mr. GINGRICH. I think the gentleman——

Mr. GRAY of Pennsylvania. And how did the gentleman vote on the resolution on the floor which I think passed overwhelmingly?

Mr. GINGRICH. Well let me proceed. I think the gentleman makes my point. In the case of Poland, given the military power of the Soviet Union and the fact that Poland for all practical purposes a Communist ally of the Soviet Union, there are no effective steps and we have proven it in the last 3 years, there are no effective steps other than the moral indignation that we can take. Now I do not think the gentleman is suggesting, and maybe he misunderstood the point I was making.

Mr. GRAY of Pennsylvania. I am just asking the gentleman one question.

Mr. GINGRICH. And I am trying to answer.

Mr. GRAY of Pennsylvania. And that is did he or did he not support the sanctions on Poland?

Mr. GINGRICH. The gentleman is saying to me that South Africa is supported by——

Mr. GRAY of Pennsylvania. I am just asking the gentleman a question.

Mr. GINGRICH. And I am reclaiming my time.

Mr. GRAY of Pennsylvania. If the gentleman will let me have 30 seconds.

The CHAIRMAN. The gentleman from Georgia controls the time.

Mr. GRAY of Pennsylvania. If the gentleman will give me 30 seconds, I will tell him why I asked the question.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. GINGRICH] has again expired.

(On request of Mr. WALKER and by unanimous consent, Mr. GINGRICH was allowed to proceed for 4 additional minutes.)

Mr. GRAY of Pennsylvania. If the gentleman will kindly yield, I would tell him why I asked the question.

Mr. GINGRICH. I am honored. I yield to my friend from Pennsylvania.

Mr. GRAY of Pennsylvania. I thank the gentleman. I want to thank the gentleman from Georgia.

The reason I asked the question is simply this: I would agree with the gentleman that sanctions or restrictions alone do not change a government. It is a statement of what we stand for as a nation, that which we hold dear.

So when we made that statement in Poland no one thought that the Communist government there was going to be overthrown overnight. But one thing one might say happened is that Lech Walesa is alive today because the President of this country said "Let's light a candle." I think there are many people who did not get shot down in the streets of Warsaw and other cities in Poland because this Nation made it very clear very early. So the reason why I am asking the question is that if we applied the same, if we applied that standard in Poland, what is the

difference in Southern Africa? What is the difference in South Africa? That is the reason why I asked the question.

Mr. GINGRICH. I think there is a very big difference. The question is what is the gentleman from Pennsylvania seeking to accomplish? If his purpose is to make America feel better by voting for sanctions so we feel morally superior, and let me say this, OK, then I think he is doing the right thing. Because Poland is not going to become free as long as the Soviet Union Army occupies it. Poland is a situation where the most you can do that is effective is moral actions.

□ 1930

In South Africa, we have an opportunity to educate white South Africans into believing that it is possible to integrate and be free, and we have an opportunity to educate black Africans into an American way of life, an American system of labor-management relations, that are vastly superior to what they are used to.

Now I think the American way of life is good enough and is positive enough and is freedom-producing enough that Mr. ZSCHAU's amendment, it seems to me, is useful if your long-run goal is a free, democratic integrated South Africa.

I do not see any hope of a free Poland in the foreseeable future, but I do see a possibility, and as I said a minute ago, and the gentleman from New York seemed to misunderstand me; I would be willing to participate in trying to frame extremely tough international sanctions from this standpoint: The goal has to be to break the back of resistance, not just to play games with; not just to irritate them in public, because you are not going to change the South African Government by irritating them and humiliating them in public.

You are going to change them either by gradually helping them educate their own population; which I think the Zschau amendment helps dramatically; or you are going to do things that are very aggressive and antithetical, I suspect, to my friend from New York's general beliefs about America's role in the world.

Mr. GRAY of Pennsylvania. Well, I certainly would agree with the gentleman in some respects, but I certainly would not agree with him on at least two points.

My goal is not to educate the majority there to the American way of life. I think it is to educate them about what we stand for in values, and that is justice and freedom, and I think that that is what counts, and not the Americanization of the black population.

The other thing that I would just simply say to the gentleman is that in the bill, there is exactly what you want. The President is asked to do that.

Mr. GINGRICH. I reclaim my time.

Mr. GRAY of Pennsylvania. I give back the time.

Mr. GINGRICH. I was just going to say to the gentleman from Pennsylvania, I thought that the American way of life was those simple ideas; like how to run a democracy; how to have elections; how to work together, but those are not simple ideas. It is not just abstract moral values. It is the daily process of working together in the workplace, of blacks and whites learning to work in an integrated society.

Mr. GRAY of Pennsylvania. But can you teach it to the white population in South Africa as well? Why do not you teach them?

Mr. GINGRICH. I think precisely you can. That is why the Zschau amendment is a major step toward saying that white South Africans will have a chance to work in integrated workplaces under American values, and I think it is a superb amendment, and I yield back.

Mr. FRANK. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I had been wondering what had happened to the letter that was sent by 35 of our colleagues on the other side of the aisle to South Africa, and after listening to the gentleman from Georgia, it must have come back addressee unknown, because he apparently wrote the letter to a different group of people than he has suddenly discovered are there.

I will yield to him when I am finished, but I want to say that he will, I hope when I am through, understand why with the best intentions in the world, and indulging that parliamentary impulse to think only the best of another's motives, a certain skepticism about some of what he said bubbles up from time to time on this side of the aisle.

Essentially, it sounded to me like the gentleman was making any argument he could to avoid taking any serious action whatever. We had a very fine and tough-sounding letter, and it said: We'll organize international diplomatic and economic sanctions against South Africa.

Now the gentleman says: "Well, but those will only be irritating." Then the gentleman said, he would, however, be willing to take the lead in organizing really tough sanctions.

The question to the gentleman then is, why hasn't he? The gentleman from Georgia has never previously awaited the permission of the gentleman from New York or the gentleman from Michigan. If the gentleman from Georgia seriously felt it was important to organize far tougher sanctions, if he genuinely means that his problem with this is that among other things, it is too weak, then why has not he used his ingenuity and his considerable talents for publicizing issues to do that? The gentleman has not been constrained. He is not a black South African; he is a white American Member of Congress.

If he really meant that this is too little and more should have been done, then I think he should have been doing something about it.

I also find it interesting that we now hear, in the context of our effort to apply some sanctions against this terrible, racist Government of South Africa, that some of our colleagues are not quite so enthusiastic as some of us mistakenly thought they were, about sanctions against Cuba.

These are the first bad words I have heard spoken against sanctions against Cuba. Apparently the gentleman from Georgia thinks we should not have had sanctions against Cuba. Apparently the gentleman from Georgia thinks we should not have had some of these economic sanctions against Cuba. He says they were not very effective, the sanctions against Cuba. He said all they did was make the Cuban people worse off.

Well, I am interested to hear it. I have to say when it is only in the context of our effort to do something against the racists in South Africa, that we are told that maybe, in response to a question, it did not work so well against the Cubans, I get a little bit skeptical.

I think it is very important for us to do the kinds of things that are being talked about now because, unlike the gentleman from Georgia, I do not see any sign that the minority in South Africa, who control that country by force of arms, are in fact ready to move any more than they have to.

I think without great pressure they are not going to move. Now, the gentleman's argument is that this may not be enough pressure. Maybe he is right. At that point I would say to him, "Come forward and tell us what more you have in mind, and let's talk about it." No one is constraining him.

I think in the current state of this Congress, with this administration, we will be doing well to get these things.

If the gentleman genuinely believes that the problem is that we have to go further, then I will be glad to go further.

I yield to the gentleman from Georgia.

Mr. GINGRICH. Let me make two points again to the gentleman. You, yourself just used the term "great pressure." I think that if we are seriously, at some point going to take on the South African Government in attempts to coerce them into change, it is going to require multilateral action, and vastly tougher action than anything we have seen since World War II.

Second, my point about Cuba—and I say this about Nicaragua—is twofold. You can make a case that it has in-

creased the cost to the Soviet Union, of having to subsidize Cuba as a colony through our sanctions. I think that is a rational case.

You can make no case that either in Nicaragua nor Cuba are we likely to undermine a Leninist regime by sheer economic sanctions.

My only point——

Mr. FRANK. Is the gentleman in favor of the sanctions against Cuba and Nicaragua or opposed to it?

Mr. GINGRICH. I will be in favor of them only as part of a general policy of coercing those governments.

Mr. FRANK. But the world is—the gentleman knows the world——

Mr. GINGRICH. The gentleman did not hear me. You were talking before I answered.

Mr. FRANK. I would like to rephrase the question. I apparently phrased it insolicitously, for which I apologize and beg the indulgence of the House, and I am going to phrase it again so I can get the answer that I think would enlighten us and elucidate more.

The question is this: The gentleman knows the general policy in the current state of the world, with Ronald Reagan as President, George Shultz as Secretary of State; all those people there doing what they are doing; does the gentleman today favor the continued imposition of sanctions against Cuba and Nicaragua?

Mr. GINGRICH. I favor them against Cuba as an indirect cost to the Soviet Union; if this administration by early this fall does not have a comprehensive program in Nicaragua, I would oppose them in Nicaragua, and I would suggest we ought to go ahead and reach some kind of conciliatory acceptance of Nicaragua.

Mr. FRANK. So you are giving Reagan a deadline; he has got to shape up or you are against the sanctions——

Mr. GINGRICH. Sure.

Mr. FRANK. Against Nicaragua. How about Cuba? Has he got a deadline in Cuba?

Mr. GINGRICH. In the case of Cuba, the cost to the Soviet Union—you are saying to me, your sanctions are going to successfully drive South Africa into the Soviet Union's arms——

Mr. FRANK. No, I am not saying any of that. The gentleman, understandably, wants to get off the point of comparison.

(By unanimous consent, Mr. FRANK was allowed to proceed for 3 additional minutes.)

Mr. FRANK. I thank you, because the gentleman wants to get off the comparison. The point is, he is in favor of the sanctions against Cuba, and against them against South Africa—I think costs are relevant; I think the people in South Africa are not wholly undecided about costs.

The point is that there is a great deal of similarity in the case for sanctions in both situations. Sanctions are one way we have of expressing American opinion.

□ 1940

It may not be that they are sufficient, but when the gentleman from Georgia says, "Well, sanctions are not enough, if you are really serious, then you have to organize an international multilateral force," I would say two things: First of all, there have been efforts to organize multilateral pressures against South Africa, and this Government vetoed them time and time again. There were efforts in the United Nations to do that. There is a potential to organize, as the gentleman from Georgia has suggested, a multilateral force against South Africans, not physical force, but sanctions, and they are vetoed by the American Government.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Michigan.

Mr. CONYERS. I want to compliment the gentleman, because greater economic investment in South Africa from 1970 to 1981, where we tripled our involvement, has led to increasing violence and oppression. So it seems to me that sanctions are in order. And the question is whether we want legal sanctions or involuntary sanctions that may arise from an uprising in that country.

Mr. FRANK. I thank the gentleman. I think two points are relevant: First, there is a general kind of conservative approach to issues in this country whereby some people are always for the remedy that is 10 years old. When it first comes out, they were not for it. Once 10 years have elapsed and its weaknesses may have become apparent, and people have gotten used to working around it, then they are retroactively for it. We see this in the area of antidiscrimination, we see it now with the Sullivan principles. The Sullivan principles have now got a lot of defenders when they could not be found when Sullivan was first doing his principles. And I would predict now that if we do go ahead on Krugerrands and cutting off investment, 5 years from now, if we need to go further in this progression, the people who are against it today will be for it then, but they are never for it at the time. They are always for the last one, after it has worn out.

Second, I think, as the arguments of the gentleman from Georgia make clear, if he wanted to organize sanctions against South Africa, he could have been doing that. His inconsistent position of sanctions regarding the Cuban situation I think makes a point. There are people who cannot condone apartheid. There are people who are moral enough to oppose apartheid in principle but who do not think that we ought to do very much about it. That is the question that is now before us.

I yield to the gentleman from California.

Mr. ZSCHAU. I thank the gentleman for yielding. On the outside chance that it may change his vote on this amendment, the author of the amendment, the gentleman from California, does oppose the sanctions on Nicaragua.

Mr. FRANK. I thank the gentleman. That chance is so far outside that I do not think it is worth worrying about right now.

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment but also to make a point, since the issue of the letter that several of us had signed has come up on a couple of occasions.

I think it is rather interesting that when we on our side of the aisle do something which I think nearly everybody acknowledges had some impact on the debate on this whole issue, and even Bishop Tutu has cited as being something which was instrumental in helping his visit to this country, that we then are supposed, as I take it, to then sign on to anything that they want to do in pursuit of those goals, and if we do not, then we are somehow disassociating ourselves from the views that we have expressed.

I would suggest that that is a little arrogant, that there are many different ways of approaching these issues and that they are all done in good faith, and that in fact in the approaches that we have offered on our side, including support of the Zschau amendment, we are doing precisely what that letter said we would do. That letter said that we were for curtailing new investment in South Africa. The Zschau amendment precisely moves in that direction. It says that you will have conditional investment. That is, in fact, curtailing new investment. I would say to those of you who argue on your side that your bill is not disinvestment, it is precisely that, that the Heritage Foundation has taken a look at that kind of an approach and said that despite the fact that it does not use that language, it is precisely that language, that you will end up with a disinvestment policy by virtue of implementing that policy.

Now, I think that we better start looking, then, at what you really mean to say. I think it is also important that if we are going to argue the percentage of the work force now applied under the Sullivan principles that we ought to look at the percentage of total investment in the country that would be affected by taking the approach offered in the bill before us, because it is a 3-percent solution. If a 1-percent solution was not very good, then I would suggest that a 3-percent

solution is not much better, that in fact what you are talking about if you go the route of the Dellums approach, even the tough approach, as defined by one of my colleagues a moment ago, that that only gets you a 3-percent solution and that that is not going to bring the South African Government to its knees and is not going to end apartheid in South Africa.

Now, the question is, then, what do you do in a positive kind of way that might have a chance? Again, a lot of us have had an opportunity to talk to people who are standing against apartheid in South Africa, whites as well as blacks, people who are actually putting their lives on the line in South Africa, not going through a public relations gesture of getting arrested in front of an embassy in Washington, DC, where you are literally protected by the police, but doing something real, standing up against apartheid in South Africa. And those people have time and time again told us that disinvestment would be a great harm to their country, that disinvestment is not what they need, disinvestment would in fact be a tragedy to their country. And when asked specifically whether or not a mandatory application of Sullivan might in fact be a positive kind of goal to achieve, they have said yes, that that is in fact the kind of direction that they think would be useful.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Georgia.

Mr. GINGRICH. I want to respond, if I may, to the gentleman from Massachusetts, if I may have his attention. You talked earlier about people who take hard steps, and about people who do this, and people who do that. Let me say to you that, having watched the successful efforts of the American left to improve Iran by replacing the Shah, who was a bad person, and we have the improved Iran today, having watched the promises in 1979 of a democratic Nicaragua, which we do not have today, having watched many members of the left explain to us that El Salvador could not become democratic, it could not be cleaned up, it was not possible, I am willing to go a little bit slow, I am willing to advocate what the gentleman from Pennsylvania earlier described as the American way in terms of the kinds of things that ED ZSCHAU'S amendment would provide for. I think that the short-term goal on our part should be to increase the involvement of integrated efforts by Americans, and the long-term effort should be to prepare the base for multilateral efforts to break the back of the South African Government if necessary.

But I think that a short-term effort to destabilize without any kind of approach to educating South African whites is doomed to produce the same kind of devastating results in South Africa that destabilization produced in Iran, and I do not see how anyone who has watched the last 6 years would favor that kind of destructive policy.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Michigan.

Mr. SILJANDER. As one of the cosigners of that letter to the Ambassador, I attempted to draft a substitute that would parallel precisely what the intention of the letter outlined. If in fact, after a reasonable timeframe of 3 years, after a commission reporting each and every 6 months of those 3 years, determined that the major core elements of apartheid have not been dismantled, then in fact we would be willing——

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(On request of Mr. SILJANDER and by unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. WALKER. I continue to yield to the gentleman.

Mr. SILJANDER. If in fact after that 3-year period those essential elements that make up apartheid have not been dismantled, then in the Siljander substitute it does say that we can in fact opt for sanctions. It is perfectly consistent and we ought to do all we can do from a positive standpoint with the Sullivan principles as incorporated in the Zschau amendment before we engage, while at the crossroads of change in that country, in a more radical approach. Let us do all we can do for peace and freedom and avoid violence by supporting the Zschau amendment.

I thank the gentleman for yielding.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

I would like the attention of my distinguished colleague from Pennsylvania, if I might get it. And I might just say to my colleagues who are asking for a vote, this is perhaps one of the most significant issues that we would debate in the 2 years of this Congress, and I find it flagrantly disrespectful to assume that we can make a circus out of a critical set of issues that have impact upon millions of human beings.

Now, having said that, I will say to my colleague, the gentleman was duly elected to this body and the gentleman can express any political point of view that he chooses to express. The only concerns that I have is why, in attempting to express that political point of view, the gentleman sees fit to denegrate the effect on the part of the hundreds of human beings who were prepared to go to jail in this country at the South African Embassy, or anywhere else in this country, to try to bring America to the realization that we are killing human beings in South Africa. Whatever the gentleman's political position, it is not necessary to place his political position in juxtaposition to the legitimate motives of other people, and I yield to my colleague for a response.

I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I would say to the gentleman that if that is his interpretation of my remarks, I would certainly apologize to him if that was the kind of context in which they were put. I have stated on many occasions publicly that I thought that those demonstrations were useful. What I was trying to contrast was people in South Africa who are taking stands against apartheid whom I have talked to who are literally risking their lives, who take a question of life and death when they speak out against apartheid, when they take actions against apartheid, and contrasting that to what is happening in this country where in fact you can go and get arrested for the cause but you are not really putting your life on the line. And I was simply contrasting that to say that some of those people, when they come and talk to me, say that disinvestment is not the right concept for their country. That is the only point I was making, and I certainly do not want to in any way derogate the efforts of the people who are taking those kinds of stands at the Embassy.

Mr. DELLUMS. I appreciate the gentleman's comments.

Mr. SILJANDER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Michigan.

Mr. SILJANDER. I think it is important, talking about the question of motivations and attitude toward each other, to say that I was one of the signers of that letter, and when one of the gentleman rose today on your side of the aisle——

Mr. DELLUMS. Mr. Chairman, I cannot hear the gentleman.

I yield to the gentleman.

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Mr. SILJANDER. I will begin my comments once again. I am also concerned with what you find important. I am concerned that the gentleman on your side of the aisle rose to question, in my interpretation, some of the motivations of those who signed that letter. I, as a signatory of the letter, feel I have worked very hard to come up with an alternative to the Gray approach, as you have, that is consistent with my signature on that letter, which is consistent with my philosophy. I have traveled to South Africa; worked many hours putting a ligitimate bill together from my point of

view. We may not agree on my point of view.

Mr. DELLUMS, I may not agree on your point of view or Mr. GRAY'S point of view or Mr. ZSCHAU'S point of view, but you are right: I indeed agree with your point. I would hope that some Members on that side of the aisle would not stand up and question motives of all the signers of that letter who signed that letter in deep sincerity and deep concern of the vicious apartheid and system of racial discrimination that is practiced in that country.

We have different approaches; I believe mine is the best as you believe yours is the best. So let us leave it in that type of tenure from now on. Is that fair enough?

Mr. DELLUMS. I thank the gentleman and let me reclaim my time.

I would simply say to my colleague: I came here to debate ideas; I did not come here to challenge peoples' personalities; I did not come here to challenge peoples' motives. I came here to challenge the intellectual integrity or the political integrity of their ideas. I find it a very shabby kind of response when we start to challenge each other at the level of motive and at the level of personalities. We ought to lift this debate to a very high order of magnitude, and it would seem to me discussing the issue of apartheid in South Africa and America's acquiescence in that has a significant and an imperative that requires that we debate this issue at a much higher level than it is beginning to deteriorate at this particular point.

I thank my colleague and I yield to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. I thank my colleague for making the point.

May I ask my colleague and friend from Michigan while he is on his feet, since he thinks not too highly of the halfway step of the Wolpe-Gray measure, does he in fact feel more inclined to support the Dellums amendment which calls for total disinvestment?

I thought that I heard implicit in his remarks earlier in the debate that probably he would prefer that solution to what he considered a halfway solution.

The CHAIRMAN. The time of the gentleman from California [Mr. DELLUMS] has expired.

(By unanimous consent, Mr. DELLUMS was allowed to proceed for 2 additional minutes.)

Mr. DELLUMS. I yield to the gentleman from Michigan [Mr. SILJANDER].

Mr. SILJANDER. Obviously the gentleman from Michigan is again hearing incorrectly. If I were supporting the Dellums approach, I respect his approach but do not philosophically or emotionally support it, why would I have worked on my own approach?

Mr. CONYERS. No, I meant relatively——

Mr. SILJANDER. You are full of questions tonight.

Mr. CONYERS. No, my friend, I meant in terms of a relative choice. I understand——

Mr. SILJANDER. It would be easier to listen more clearly; you would have less and fewer questions.

Mr. CONYERS. If the gentleman would listen to me for a second, I am saying relatively between the two other measures; not his own.

Mr. DELLUMS. I yield to the gentleman for a response.

Mr. SILJANDER. Well, which would the gentleman support between the Dellums and the Siljander? Or between the Gray and the Siljander?

Mr. CONYERS. Well, I am asking you.

Mr. SILJANDER. Well, I am asking you. You have been full of questions; let me ask you questions for the rest of the evening.

Mr. DELLUMS. If I may reclaim my time.

Mr. Chairman, I realize that only a few seconds remain. I will simply try to bring us back to the central focus to this debate, and it has nothing to do with our individual personalities; it has nothing to do with our individual motives. None of us here have the capacity to play God and to challenge each other's motives. Let us get our political ideas on the table, and let us debate those issues.

I would like to hope in that atmosphere of integrity that our particular approach at the appropriate time will prevail in this body.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. ZSCHAU].

The question was taken, and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ZSCHAU. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 148, noes 256, not voting 30, as follows:

[Roll No. 121]

AYES—148

Archer	Coats	Fiedler
Armey	Cobey	Fields
Badham	Coble	Franklin
Bartlett	Coleman (MO)	Frenzel
Barton	Combest	Gallo
Bateman	Craig	Gekas
Bereuter	Crane	Gingrich
Bilirakis	Dannemeyer	Goodling
Boulter	Daub	Gradison
Broomfield	Davis	Green
Brown (CO)	DeLay	Grotberg
Broyhill	DeWine	Gunderson
Burton (IN)	Dickinson	Hammerschmidt
Byron	Dornan (CA)	Hansen
Callahan	Dreier	Hartnett
Campbell	Duncan	Hendon
Chandler	Eckert (NY)	Henry
Chappie	Emerson	Hiler
Cheney	Evans (IA)	Hillis
Clinger	Fawell	Holt
Hunter	Miller (OH)	Skeen
Hutto	Monson	Slaughter
Hyde	Montgomery	Smith (NE)
Ireland	Moore	Smith (NH)
Johnson	Moorhead	Smith, Denny
Kasich	Morrison (WA)	Smith, Robert
Kemp	Nielson	Snyder
Kindness	O'Brien	Solomon
Kolbe	Oxley	Spence
Kramer	Packard	Stangeland
Lagomarsino	Parris	Strang
Latta	Pashayan	Stump
Lent	Petri	Sundquist
Lewis (FL)	Porter	Sweeney
Lightfoot	Quillen	Swindall
Livingston	Regula	Tauke
Loeffler	Ridge	Taylor
Lott	Roberts	Thomas (CA)
Lujan	Rogers	Vander Jagt
Lungren	Roth	Vucanovich
Madigan	Roukema	Walker
Marlenee	Rowland (CT)	Whitehurst
Martin (NY)	Saxton	Whittaker
McCain	Schaefer	Wolf
McCandless	Schuette	Wortley
McCollum	Sensenbrenner	Young (AK)
McEwen	Shaw	Young (FL)
McKernan	Shumway	Zschau
McMillan	Shuster	
Meyers	Siljander	

NOES—256

Ackerman	Durbin	Kostmayer
Addabbo	Dwyer	LaFalce
Akaka	Dymally	Lantos
Anderson	Early	Leach (IA)
Andrews	Eckart (OH)	Leath (TX)
Annunzio	Edgar	Lehman (CA)
Anthony	Edwards (CA)	Lehman (FL)
Applegate	Edwards (OK)	Leland
Aspin	English	Levin (MI)
Atkins	Erdreich	Levine (CA)
AuCoin	Evans (IL)	Lipinski
Barnard	Fascell	Lloyd
Barnes	Fazio	Long
Bates	Feighan	Lowry (WA)
Bedell	Fish	Luken
Beilenson	Flippo	MacKay
Bennett	Florio	Manton
Bentley	Foglietta	Markey
Berman	Ford (MI)	Martin (IL)
Bevill	Ford (TN)	Martinez
Biaggi	Fowler	Matsui
Bliley	Frank	Mavroules
Boehlert	Frost	Mazzoli
Boggs	Fuqua	McCloskey
Boland	Garcia	McCurdy
Boner (TN)	Gaydos	McDade
Bonior (MI)	Gejdenson	McHugh
Bonker	Gephardt	McKinney
Borski	Gibbons	Mica
Bosco	Gilman	Mikulski
Boxer	Glickman	Miller (CA)
Brooks	Gonzalez	Miller (WA)
Brown (CA)	Gordon	Mineta
Bruce	Gray (IL)	Mitchell
Bryant	Gray (PA)	Moakley
Burton (CA)	Gregg	Molinari
Bustamante	Guarini	Mollohan
Carney	Hall, Ralph	Mrazek
Carper	Hamilton	Murphy
Chappell	Hatcher	Natcher
Clay	Hawkins	Neal
Coelho	Hayes	Nelson
Coleman (TX)	Hefner	Nichols
Collins	Heftel	Nowak
Conte	Hertel	Oakar
Conyers	Hopkins	Oberstar
Cooper	Horton	Obey
Coughlin	Howard	Olin
Courter	Hoyer	Ortiz
Coyne	Hubbard	Owens
Crockett	Huckaby	Panetta
Daniel	Hughes	Pease
Darden	Jacobs	Penny
Daschle	Jeffords	Pepper
de la Garza	Jones (OK)	Perkins
Dellums	Jones (TN)	Pickle
Dicks	Kanjorski	Price
DioGuardi	Kaptur	Pursell
Dixon	Kastenmeier	Rahall
Donnelly	Kennelly	Rangel
Dorgan (ND)	Kildee	Ray
Dowdy	Kleczka	Reid
Downey	Kolter	Richardson

Rinaldo	Slattery	Traficant
Robinson	Smith (FL)	Traxler
Rodino	Smith (IA)	Valentine
Roe	Smith (NJ)	Vento
Roemer	Snowe	Visclosky
Rose	Solarz	Volkmer
Rostenkowski	Spratt	Watkins
Rowland (GA)	St Germain	Waxman
Roybal	Staggers	Weaver
Russo	Stallings	Weber
Sabo	Stark	Weiss
Savage	Stenholm	Wheat
Scheuer	Stokes	Whitley
Schneider	Stratton	Wilson
Schroeder	Studds	Wirth
Schulze	Swift	Wise
Schumer	Synar	Wolpe
Seiberling	Tallon	Wyden
Sharp	Tauzin	Wylie
Shelby	Thomas (GA)	Yates
Sikorski	Torres	Young (MO)
Sisisky	Torricelli	
Skelton	Towns	

NOT VOTING—30

Alexander	Jenkins	Murtha
Boucher	Jones (NC)	Myers
Breaux	Lewis (CA)	Ritter
Carr	Lowery (CA)	Rudd
Derrick	Lundine	Udall
Dingell	Mack	Walgren
Dyson	McGrath	Whitten
Foley	Michel	Williams
Hall (OH)	Moody	Wright
Hall, Sam	Morrison (CT)	Yatron

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The Clerk announced the following pairs:

On this vote:

Mr. Myers of Indiana for, with Mr. Breaux against.

Mr. Rudd for, with Mr. Alexander against.

Mr. Mack for, with Mr. Morrison of Connecticut against.

Mr. Lewis of California for, with Mr. Jones of North Carolina against.

Mr. Lowery of California for, with Mr. Lundine against.

Mr. MURPHY changed his vote from "aye" to "no."

Mr. FIELDS changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. WOLPE. Mr. Chairman, I move that the Committee do now rise.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MOAKLEY] having assumed the chair, Mr. DE LA GARZA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1460) to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. WOLPE. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE CONCURRENT RESOLUTION 152, FIRST CONGRESSIONAL BUDGET FOR THE U.S. GOVERNMENT FOR FISCAL YEARS 1986, 1987, AND 1988

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 99-141) on the resolution (H. Res. 177) providing for the consideration of the concurrent resolution (H. Con. Res. 152) revising the congressional budget for the U.S. Government for the fiscal year 1986 and setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988, which was referred to the House Calendar and ordered to be printed.

REAGAN ADMINISTRATION ETHICS DISHONOR ROLL ADDENDUM

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous matter.)

Mrs. SCHROEDER. Mr. Speaker, today, I am placing in the RECORD an addendum of 22 names to the Reagan administration Ethics Dishonor Roll. This brings the total number of individuals cited on this list to a distressing 134.

The charges which earn an individual a position on this very undistinguished list include criminal wrongdoing, abuse of power and privilege, and improper behavior for a Government official. This roll is merely a compendium of newspaper accounts. Some of the individuals have been cleared by investigations. Others have resigned, maintaining their innocence, but aborting any further investigation.

I first started compiling this list 2 years ago when the House Post Office and Civil Service Committee was struggling to strengthen the Ethics in Government Act. The American public had been besieged with repeated newspaper accounts of top administration officials running afoul of ethical restrictions. Sad to say, the onslaught of ethical violations has continued unabated.

We must further strengthen our laws to help preclude such activity, but we must also hold accountable a President who appoints, supports, and defends individuals of such curious and questionable character.

REAGAN ADMINISTRATION ETHICS DISHONOR ROLL, ADDENDUM

(Compiled by the House Subcommittee on Civil Service, Representative Patricia Schroeder, Chairwoman, May 20, 1985)

112. Patrick C. Allison, Regional Director, Department of Health and Human Services, lobbied against the "Compassionate Pain Relief Bill" in apparent violation of prohibitions on use of Federal funds to lobby Congress.

113. Twenty-one non-career Ambassadors endorsed Senator Jesse Helms for re-election in apparent violation of established tradition followed by administrations of both parties which barred Ambassadors from participating in partisan politics while on active duty as official representatives of their country. Senator Helms is a member of the Foreign Relations Committee that confirms ambassadors.

114. Dixon Arnett, Deputy Undersecretary for intergovernmental Affairs, Department of Health and Human Services, told regional directors to contact state narcotics officials, governors, and mayors in their states "and ask them to contact their congressional delegation to ask for a 'no' vote" on the "Compassionate Pain Relief Bill" in apparent violation of prohibitions on use of Federal funds to lobby Congress.

115. Mark Evans Austad, Ambassador to Norway, allegedly tried to force his way into a Norwegian woman's home in the middle of the night. Mr. Austad "was apparently under the influence of alcohol" when he spent "half an hour knocking and kicking at her front door Wednesday in an attempt to get in."

116. Daniel K. Benjamin, Chief of Staff, Department of Labor, was accused of a conflict of interest allegedly involving the use of a lobbyist's boat. He also was allegedly involved in the award of a non-competitive contract to one of his former research assistants. Mr. Benjamin resigned.

117. Bruce Chapman, Deputy Assistant to the President in charge of the Office of Policy and Evaluation, White House, and former Director, Census Bureau, allegedly spent more than $10,000 on travel during a one year period including trips to his hometown, Seattle.

118. John Fedders, Director of the Division of Enforcement, Securities and Exchange Commission, reportedly beat his wife during their 18-year marriage. He was also reportedly involved in the alleged cover-up of a corporate bribe scheme by a former law client, the Southland Corporation. Mr. Fedders resigned.

119. Eileen Marie Gardner, head of the Office of Education, Philosophy and Practice, Department of Education, had criticized "misguided" efforts to help disabled people who had "selfishly drained resources from the normal school population." In addition, she indicated that the handicapped were responsible for their life situation. Ms. Gardner was told to resign.

120. Marianne Mele Hall, Chairwoman of the Copyright Royalty Tribunal, co-authored *Foundations in Sand: A Hard Look at the Soft Sciences.* This book contains such statements as American blacks "insist on preserving their jungle freedoms, their women, their avoidance of personal responsibility and their abhorrence of the work ethic." She also had no experience in copyright litigation and her experience as a teacher of law was allegedly gained at an unaccredited school that operated only on weekends. Ms. Hall resigned.

121. Donald T. Hallett, State Director of the Farmers Home Administration in California, Department of Agriculture, was found guilty of racial discrimination in his practices. Mr. Hallett received an official written reprimand.

122. Roger W. Jepsen, chosen by President Reagan to head the Commission to honor the Bicentennial of the U.S. Constitution, had once invoked the Constitution as a justification for driving his single-occupant vehicle down the car pool lane of a Virginia

highway. During his campaign for re-election to the Senate, Mr. Jepsen said he had visited a Des Moines health club that had "nude encounters." Mr. Jepsen's name was withdrawn.

123. Patrick Korten, executive assistant director, Office of Personnel Management, allegedly participated in an illegal personnel transfer to benefit a former OPM political appointee and his wife. He authorized the Intergovernmental Personnel Act transfer for Carolyn Jeffress without expecting her to return to the federal government, as required by law.

124. James Meadows, Deputy Director of the Occupational Safety and Health Administration, Department of Labor, allegedly told high-ranking agency officials to "kick asses and take names" of employees who criticize agency policies.

125. Marjory E. Mecklenburg, Deputy Assistant Secretary, Department of Health and Human Services, was investigated by the Department Inspector General for possibly scheduling an HHS workshop in Denver so she could watch her son play in the Broncos-Vikings football game. HHS also looked into additional trips she took over a two-year period at a cost to the government of $12,938.67. Ms. Mecklenburg resigned.

126. Georgia Paras, Legal Services Corporation nominee, had allegedly attacked an Hispanic judge as "a professional Mexican," saying that there also were "professional blacks, professional Greeks, professional Dagos and professional Jews" who "put their ethnic orgin ahead of everything else." His appointment was withdrawn.

127. Russell A. Rourke, Assistant Secretary of Defense for Legislative Affairs, Department of Defense, wrote a memo which allegedly shows that he and other Pentagon officials are acting in a partisan political manner to deflect criticism of the DOD's spare parts program.

128. 128. Robert A. Rowland, head of the Occupational Safety and Health Administration, Department of Labor, allegedly owns up to $50,000 in stock in Tenneco, Inc., a conglomerate that could be affected directly by his decision not to adopt a federal standard requiring clean drinking water and toilet facilities for farm workers. The Office of Government Ethics is reviewing the case.

129. Thomas Tancredo, Secretary's Regional Representative, Department of Education, mailed out copies of a 12 page "statement," accompanied by his signed cover letter, lamenting the fact that we don't have an official state religion in this country.

130. Kathleen Troia, Principal Deputy Assistant Secretary for Public Affairs, Department of Defense, wrote a memo which allegedly developed a plan for possibly improper political involvement by DOD officials during the 1984 national election campaign.

131. Lawrence A. Uzzell, Special Assistant to the Undersecretary, Department of Education, advocated that every federal program for elementary and secondary education—including aid to the handicapped—should be abolished. Mr. Uzzell resigned.

132. R. Leonard Vance, Director of Health Standards, Occupational Health and Safety Administration, Department of Labor, accused his staff of using "communistic" language and having been "trained in Moscow." He notified Congress that he could not turn over his logs because his "dog had barfed all over them."

133. John D. Ward, Acting Director, Office of Surface Mining, Department of Interior, was criticized by a Congressional Committee for failing to aggressively collect $150 million in outstanding strip mining fines and for allowing some chronic violators to receive new mining permits. Mr. Ward resigned.

134. Joseph R. Wright, Jr., Deputy Director, Office of Management and Budget, and head of the President's Council on Integrity and Efficiency, allegedly intervened, on behalf of his father's oil company, with the head of the Energy Department's Economic Regulatory Administration. The Energy Department then allegedly delayed a major enforcement case against the company.

A BILL FOR THE RELIEF OF MARY E. STOKES

(Mr. HUTTO asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HUTTO. Mr. Speaker, today I rise in support of H.R. 1783, a bill for the relief of Mary E. Stokes, which passed earlier today.

This case is the result of an admitted mistake by the personnel office at the Naval Air Station in Pensacola, FL, which gave incorrect advice to Mrs. Stokes' husband before his death. Mrs. Stokes deceased husband, Mr. Bartley Stokes, served for 42 years—20 years in the Navy and 22 in the civil service at NAS Pensacola. Mr. Stokes was diagnosed as having cancer and was given only a few months to live. In an effort to provide for his wife's future, Mr. Stokes contacted the consolidated civilian personnel office at NAS for advice on combining his military and civil service annuities. He was advised by Mr. U.M. Buskey at the consolidated civilian personnel office of the best alternative to ensure that his wife, Mary, would receive all survivor benefits to which she is entitled. Mr. Stokes was promised that his wife would receive a monthly combined annuity check of $587. However, since his death, Mrs. Stokes' monthly check only amounts to $409 because his military and civil service were not combined.

The Office of Personnel Management made an inquiry into this case, and has ruled that it is clear from the record that Mr. Stokes fully intended that his service be combined and believed that it would be, and since such a combining of his service would have occurred under existing law had he not relied on the ill-considered agency advice that he exhaust his sick leave before accepting retirement, OPM supports the passage of H.R. 1783 to correct this mistake.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT DURING 5-MINUTE RULE ON WEDNESDAY, MAY 22, 1985, AND PERMISSION FOR SUBCOMMITTEE ON SURFACE TRANSPORTATION OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT DURING 5-MINUTE RULE ON THURSDAY, MAY 23, 1985

Mr. BOSCO. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House on Wednesday, May 22, 1985, and that the Subcommittee on Surface Transportation of the Committee on Public Works and Transportation be permitted to sit during the 5-minute rule in the House on Thursday, May 23, 1985.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ORDER OF BUSINESS

Mr. SKELTON. Mr. Speaker, I ask unanimous consent to vacate my 60-minute special order and to replace it with a 5-minute special order this evening.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

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THE COMPETITIVE SHIPPING AND SHIPBUILDING ACT OF 1985

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

Mr. BATEMAN. Mr. Speaker, today I am introducing, with the gentlelady from Louisiana [Mrs. BOGGS] and 15 other original cosponsors, the "Competitive Shipping and Shipbuilding Act of 1985."

Few would dispute the fact that our Nation's security depends on shipbuilding and maritime resources capable of responding to the demands of mobilization. Yet almost 15 years have gone by without meaningful congressional action while these resources have disappeared at a growing and alarming rate. Today our maritime industries are in a weakened state and growing weaker.

The United States, which generates about a fifth of the world's trade, carries only about 5 percent of that commerce in American vessels. The huge American merchant marine of the post-World War II era has dwindled to about 500 vessels, most of them antiques and few of them engaged in regular foreign commerce. Over the last 4

years 25 U.S. shipyards have closed, with a net loss of about 20,000 jobs—a few large yards have grown because of Navy contracts. Only five U.S.-flag-ships are under construction today, all of them for the domestic trades.

Existing commercial policies and programs will not maintain the shipping and shipbuilding capacity needed for mobilization. American shipyards cannot compete with foreign yards that pay their workers $2 an hour, build ships with materials bought at subsidized prices and enjoy subsidized financing at depressed interest rates. American ship operators cannot compete with nations whose ships sail with new equipment and small, low-paid crews. Furthermore, more and more nations have restricted access to cargo from their ports to their own merchant ships.

Last year Congresswoman BOGGS and I, with several cosponsors, introduced a measure (H.R. 6222) to provide at least part of an answer to this dilemma. Focusing on the bulk and "neo-bulk" cargo sector of our commerce—chiefly grain, coal, ores, steel, and automobiles—title I of the bill required that in the 1st year after enactment, American importers and exporters ship at least 5 percent of bulk-neo-bulk cargo on U.S. vessels. The requirement would rise by 1 percent per year until it reached 20 percent.

In title II of the bill, we provided a tax credit for shippers to compensate for any additional expense imposed upon them by the higher cost of shipping in American vessels as opposed to foreign ships. This should eliminate the traditional opposition of shippers to cargo preference proposals.

Estimates indicate the measure would result in construction of 330 ships, readily convertible to military sealift uses, and create about 100,000 jobs in shipping, shipbuilding and allied industries. There should be little or no impact on the Federal deficit, since revenues expected from increased employment and corporate activity in shipping and shipbuilding would completely, or nearly completely, offset the revenue loss created by the tax credit.

Mr. Speaker, I am convinced that a bulk cargo fleet expansion program, with a tax credit for our shippers, is an important forward step in rebuilding the American merchant marine. I urge my colleagues to support prompt enactment of this important measure.

Mr. BATEMAN. Mr. Speaker, I yield to the gentlewoman from Louisiana [Mrs. BOGGS].

Mrs. BOGGS. Mr. Speaker, in recent years shipbuilding worldwide has been in a severe depression. The situation in the United States is even worse, if that seems possible. Currently there are only 13 merchant ships under construction in the United States, most of which are intended for domestic—or Jones Act—trade. Over the past 5 years the value of domestic shipbuilding and repair work in the United States has decreased significantly.

Obviously there is a pressing need to develop a reasonable and achievable maritime policy for the United States.

There are three alternative policies that could form the basis of a maritime policy that will assure the existence of an American shipbuilding capacity and an American merchant marine. These are direct subsidies, or direct Government procurement of ships, or cargo reservation policy.

The gentleman from Virginia and I have decided upon the third option—a cargo reservation or cargo preference policy—because many of our trading partners have formal or informal policies that assure that availability of cargo for their national flag ships.

Cargo preference, which grants U.S.-flag shipping exclusive rights to carry certain cargoes, is an indirect form of support whose costs are borne by the economy, not by the government. The objective of cargo preference is to create a market which will result in the construction of American ships to meet the demand.

Cargo preference is one of the most widely used forms of maritime support. It can be established unilaterally or by mutual agreement among trading partners. A form of the latter, the UNCTAD Liner Code declares that each trading nation has the right to reserve 40 percent of its trade for its national-flag ships. Unfortunately, the administration has consistently opposed the UNCTAD Code.

The legislation that the gentleman from Virginia and I are introducing seeks to achieve a cargo policy through a unilateral approach.

As the gentleman from Virginia has said, the bill would also provide a tax credit for shippers to compensate for any additional expense imposed upon them by the higher cost of shipping in American vessels as opposed to foreign ships. This should eliminate the traditional opposition of shippers to cargo preference proposals.

We feel that the results in shipbuilding, national security interests, shipping and marketing are achievable goals, Mr. Speaker. We urge the cosponsorship of our colleagues for this legislation so necessary to the implementation of a national maritime policy.

SMALL BUSINESS EXPORT POTENTIAL

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

● Mr. ROBINSON. Mr. Speaker, I rise today to speak to the export potential of this Nation's small businesses as part of World Trade Week which we acknowledge from May 19 through May 25, 1985.

While the American public at large is aware of the contribution made by small businesses to the economy of this Nation, there is far less understanding of the small business community's potential in the export arena. Not only is the American public unaware of this potential, but so are our small businesses.

One of my colleagues, the distinguished gentleman from Florida [Mr. IRELAND], stated during a field hearing that 92 percent of all American firms sell only in the United States while 93 percent of the world's population is outside the United States.

Couple that information with the fact that only 30,000 out of 376,000 manufacturing companies export their products. Of these 30,000 firms, 70 percent are small- or medium-sized outfits with fewer than 500 employees. That is good news.

It is also good news that the General Accounting Office estimates that small firms of less than 250 employees could, if they began exporting, export goods amounting to $4.2 billion annually.

In an era where our balance-of-trade deficits are skyrocketing, that is a step—albeit a small one—in the right direction.

We all recognize that there are obstacles—many of them formidable—to exporting. Small businesses, which often lack the resources of larger firms to solve export problems, need a great deal of sticktoittiveness.

The Small Business Committee, on which I serve, recently held a hearing where we received testimony from Kenn George, Director General of the U.S. Foreign and Commercial Service. USF&CS is a branch of the Department of Commerce which has as its aim to keep businesses informed of the international trade situation.

The USF&CS is the only Federal Government entity involved in international trade with a global outreach capability. At the same time it offers counseling to businesses that want to break into the export market.

We need to do all we can to encourage our small entrepreneurs to get involved in international trade. Making them aware of the opportunities that exist—especially in OPEC and other developing countries—is a solid first step. Giving those businesses a helping hand—from dealing with language problems to tariff requirements and a lot of other difficulties in between—will go a long way to taking the mystery out of the export puzzle.

As it says on the cover of the May 27 Business Week magazine, "Small Is Beautiful." Now we just need to get America's know-how at work in the export arena. We all stand to gain from that.●

THE REIT TAX PROVISIONS ACT OF 1985

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

● Mr. VANDER JAGT. Mr. Speaker, I am today introducing, with Congressman BOB MATSUI and Congressman PETE STARK, H.R. 2571, the REIT Tax Provisions Revison Act of 1985, a bill to amend portions of the Internal Revenue Code dealing with real estate investment trusts or REIT's. The legislation has become necessary largely because REIT's have found themselves increasingly at a competitive disadvantage in today's real estate marketplace. In recent years, the compelling need for flexibility and creativity in the marketplace has proven to be at odds with the various constraints imposed on REIT's by Federal tax laws. During the same period, REIT investors have been effectively denied many of the benefits of the substantial changes made in the Internal Revenue Code provisions affecting real estate. The REIT plays an important role in the real estate industry, and these increasing barriers to fulfillment of that role mandate a thorough review of the entire REIT tax regime. The proposed legislation is introduced to serve that purpose and to assure the viability of the REIT as a valuable real estate investment medium.

The history of the present REIT industry begins in 1960 with the enactment of Federal tax legislation providing for a real estate investment vehicle to be accorded conduit tax treatment similar to that available to mutual funds. The purpose of the legislation was to provide an opportunity for small investors to obtain the advantages of real estate investment normally available only to those with much greater resources.

Under the REIT conduit concept, virtually all the income of the REIT must be derived from the real-estate-oriented investments and must be passed through to shareholders as dividends. The REIT is allowed a deduction for the dividends paid with the result that the REIT income avoids double taxation. This pass through of untaxed earnings—but not losses—is conditioned on compliance with a variety of organizational and operational constraints imposed on each REIT. These constraints are designed in large part to prevent REIT's from engaging in speculative dealing in real estate or from otherwise deriving the benefits of active business operations, particularly those that are essentially unrelated to real estate. The product of this special tax regime is a mechanism for small investors to combine their resources for investment in a diversified pool of real estate assets under professional management, while enjoying the benefits of liquidity represented by transferable securities having the attributes of corporate stock.

History has shown that the REIT concept is viable, providing an important alternative in the spectrum of real estate investment. Although the industry experienced a well-documented period of financial constriction during the real estate recession of the early 1970's, there are now some 125 REIT's in existence with diverse portfolios of real estate equities and mortgages whose current value is generally well in excess of their aggregate book value of $9.5 million. The industry balance sheet is most notable for its low leverage, evidenced by an aggregate debt to equity ratio of just 1 to 1. During 1984, 101 dividend-paying REIT's distributed almost $500 million to shareholders, providing an average yield of some 9 percent. Total public and private offerings by REIT's or entities intending to qualify as REIT's raised $931 million in new capital.

Notwithstanding its obvious vitality, the RIET industry is facing important challenges, many of which derive from the dramatic changes in the form and taxation of real estate activities in general. Congress has previously responded to changing economic conditions and the state of the industry by amending numerous aspects of the REIT Provisions of the Code in early 1975, in 1976, as part of the Tax Reform Act of 1976, and in 1978, as part of the Revenue Act of 1978. There is at present an urgent need for other comprehensive revisions in order to update the REIT tax rules and reconcile them with real estate taxation generally so that REIT's and their shareholders will be able to compete more effectively and to continue their important function of enhancing the flow of capital to economically viable, income-oriented real estate projects.

THE NEED FOR FLEXIBILITY IN REAL ESTATE OPERATIONS

It is well known that inflationary pressures and irregular but generally high rates of interest have become powerful influences on the nature and level of activity in the real estate industry. Another major force at work is the expansion of the tax advantages of real estate investment provided by the Economic Recovery Tax Act of 1981.

The products of these and other factors are numerous. Among other things, we have seen increasingly intense demand for quality real estate assets among foreign and domestic investors, with acquisition costs thus being driven to extraordinary heights. At the same time, the costs of funds to finance acquisitions have climbed, and the real estate industry has become vitally concerned with the problems of accumulating capital at reasonable expense. We also have seen real estate owners and lenders explore every means of determining rents and interest to assure that their income streams and invested capital are adequately protected in this environment. In short, success in the real estate industry has become inextricably linked to the degree of flexibility with which a party may act in all forms of real estate transactions.

These conditions obviously conflict with the technical Code restraints imposed on REIT's that limit operational flexibility and the capacities to grow through retention of earnings or to realize fully the value of their assets. Under these circumstances, REIT's cannot operate effectively and are increasingly confronted by serious takeover attempts or the unavoidable prospect of liquidation. Matters have been exacerbated by changes in the Code made in 1981, 1982, and 1984 that, while not necessarily aimed at the REIT industry, have directly and indirectly reduced the capacity of many REIT's to raise capital internally and externally. For these reasons alone, the time has come for a comprehensive reexamination of the REIT tax regime.

COMPETITION WITH OTHER REAL ESTATE INVESTMENT VEHICLES

The developments noted above have been accompanied by a marked increase in investor interest in the partnership vehicle. Virtually unknown in the early 1970's, publicly offered, large syndicated limited partnerships in real estate raised more than $2 billion in both 1981 and 1982 and well over $4 billion in 1983. For real estate investment organizations such as REIT's, the competition for investment capital has been drastically altered by the explosion of partnership syndications. Despite some of their investment advantages, REIT's must contend with such factors as the generous treatment of depreciable property held in partnership form, treatment greatly enhanced by the accelerated cost recovery system provisions of the Economic Recovery Tax Act. The principal competitive advantage afforded REIT's, the liquidity enjoyed by shareholders for their investments in REIT stocks may even be subject to erosion through increasing experimentation with mechanisms designed to create meaningful secondary markets for investments in real estate and other limited partnerships. Given these considerations, the effects of bracket creep and the increased sophistication of investors pursuing tax shelter, and the intense momentum behind the marketing of real estate syndications, there is little doubt that the REIT vehicle will face increasing difficulty in attracting its traditional investors.

THE TAX BENEFITS INHERENT IN REIT ASSETS ARE DENIED TO REIT INVESTORS

Fundamental to the foregoing points is the fact that real estate values nec-

essarily reflect the tax advantages afforded real estate investment under present law. While these advantages have become increasingly significant, the inability of the REIT investor to derive any such benefits has severely restricted the capacity of the REIT to gain favor in the marketplace.

Of course, the REIT was never intended to be and should not become a vehicle for passthrough of investment tax credits, deductions, or other tax attributes that may shelter investor income. It is appropriate, however, to question whether the REIT investor ought not to be entitled to enjoy in some form the benefits of tax deferral inherent in the accelerated cost recovery system [ACRS]. As explained below, present law makes distributions of REIT cash flow attributable to ACRS cost recovery fully taxable as ordinary income dividends. Factors such as this and other deficiencies in the REIT conduit tax regime contribute significantly to the problems of REIT management in attracting investment capital and in dealing with pressures to liquidate or restructure operations in other ways.

The basic reasons that precipitated passage of the REIT enabling legislation in 1960 remain valid today. The REIT is an important vehicle to finance and operate real estate projects that are economically feasible, not tax driven, and yielding a steady stream of income. The accumulation and application of REIT capital is efficient, as may not be the case with many real estate syndications. Management of REIT's must be responsive to REIT shareholders given the Federal and State securities law applicable to REIT's and the vital capacity of the REIT investor to liquidate his interest at any time which is assured with the great majority of REIT shares traded on major stock exchanges or over the counter.

With these considerations in mind, the basic tax provisions affecting REIT's ought to be modernized. Upon study and consultation with REIT industry representatives the bill I am introducing today has been assembled. It represents a credible first attempt at improving the existing law. As the bill makes its way through the legislative process I, and I am confident my cosponsors, will be anxious to hear recommendations on how it might be improved both from affected industry representatives and the Treasury. For example, I am already aware that modifications of current law may be appropriate to accommodate the practical need of REIT owned hotels to replace personal property—for example, furniture, kitchen equipment, et cetera. I urge this body to give its serious attention to the bill introduced today. A description of key provisions is set forth below.

SUMMARY OF KEY PROVISIONS OF H.R. 2571

1. Revision of the way that REITs compute "earning and profits." When Congress created the Accelerated Cost Recovery System ("ACRS") in 1981, it provided that the earnings and profits—E&P—of a corporation—including a REIT—must be computed as though real estate assets were depreciable over 35 years rather than over the 15-year cost recovery period applicable in determining taxable income. With enactment of the Deficit Reduction Act of 1984, the new 18-year cost recovery period for most real property is accompanied by a 40-year earnings and profits rule. These special E&P rules prevent corporations from making distributions of cash flow attributable to accelerated cost recovery that would constitute tax-deferred return of capital rather than ordinary income dividends in the hands of shareholders.

Although prevention of the sharing of tax benefits with shareholders may be valid in the typical corporate context, the earnings and profits rule is inconsistent with REIT conduit tax treatment and discriminates against the small investor for whom the REIT vehicle was created to provide the advantages of direct investment in real estate. Under the bill, the REIT tax provisions would be amended so that a REIT may compute depreciation for earnings and profits purposes using essentially the same useful life prescribed in computing taxable income. Thus, REIT investors would enjoy the benefits of tax deferral inherent in ACRS that are otherwise available to individuals who invest in real estate directly or in partnership.

2. Repeal of the section 291 20-percent cutback of corporate tax preferences as it applies to REIT's. The Tax Equity and Fiscal Responsibility Act of 1982, as recently amended, cuts back on corporate tax preferences including capital pursuant to gains realized on disposition of section 1250 real property. Codified in section 291 of the code, the provision partially accounts for the REIT conduit concept by causing a REIT to recharacterize capital gains as ordinary income only to the extent the REIT fails to distribute the gains to shareholders. The result remains that REIT's have reduced capacity to raise capital by the sale of appreciated assets, and any cutback actually results in an increased tax burden imposed directly on the shareholders because of the requirement that virtually all ordinary income be distributed to shareholders. To remedy this situation, the bill would exclude REIT's altogether from the coverage of section 291.

3. Revisions of the safe haven exceptions to the 100-percent prohibited transactions tax of section 857 and related provisions. The present 100-percent tax on income realized through transactions that are otherwise prohibited greatly inhibits REIT trustees in the prudent management of REIT's portfolios of real estate investments. Most importantly, REIT's must have enhanced ability to realize the value of appreciated assets and to raise capital to meet obligations to pay off maturing debt obligations. Experience has shown that the partial relief represented by the safe haven rules of section 851(b)(6)(C) still leave REIT trustees confronting serious dilemmas in certain cases. The rules should be amended to provide increased allowances for the number of annual sales of and permissible improvements to qualifying properties, and to allow REIT shareholders to realize a greater portion of the value inherent in long-held rental property suitable for conversion to condominiums or cooperative units. The bill makes these changes.

4. The present artificial independent contractor requirements imposed upon REIT's, which substantially affect the way in which and the cost at which REIT's may conduct their businesses, should be repealed. Under the bill section 856(d) is amended to remove the provision that permits REIT's to derive qualifying rental income only if all services customarily provided to tenants are made available through an independent management company. Similarly, the foreclosure property rules are amended to eliminate the section 856(e)(4)(C) independent contractor requirement as a condition to eligibility of REIT property for foreclosure property status. It is axiomatic in the real estate industry at large that hands-on, effective management is fundamental to the successful performance of a real estate investment, and management by contractor often results in costly and unsatisfactory performance that is not in the best interests of the REIT or its shareholders. Put simply, a REIT, like any real estate investor, must have the opportunity to manage directly its investments.

5. As commercial leasing and lending practices now dictate that rents or interest often be computed on the basis of the net income of the tenant or borrower, REIT's are under increasing pressure to conform or cease to compete for rewarding transactions. At least to the extent such transactions involve a prime lessee or a mortgagor that performs a role essentially equivalent to that which a REIT would perform if operating the property directly, relief should be granted from the net income limitations of section 856(d)(2)(A) and 856(f).

Under the bill, section 856(d)(2) of the code is amended to treat as qualifying REIT income those rents received by a REIT that are based on the net income of the lessee when that lessee is an intermediary tenant that in turn lessees all or substantially all of its tenancy to sublessees who pay rents not based on their net income. Similarly section 856(f) is amended to permit a REIT to receive as qualifying interest those payments computed with respect to the net income of the borrower when that borrower leases all or substantially all of its interest in the property and the borrower's rents are not based on the net income of space tenants. The existing prohibitions against such rents and interest based on net income are unduly broad and place REIT's at a severe competitive disadvantage in the real estate marketplace.

6. Limitations on payment of capital gain dividends by REIT's which have net operating loss carryovers from earlier years. Section 857(b)(3)(C) of the code is amended to make clear that, for purposes of computing the net capital gain of a REIT for a given taxable year, real estate investment trust taxable income will not include net operating losses (NOLs) from prior taxable years.

As presently interpreted by the IRS, the law may cause a REIT shareholder to be taxed at ordinary rates on dividends paid out of REIT capital gains notwithstanding the fact that the pass-through of capital gains is a fundamental ingredient of the REIT concept. In effect, a REIT that has suffered large losses and later realizes capital gains will be unable to share these gains with its investors, so that both the REIT and its shareholders find their economic misfortunes in earlier years, exacerbated by

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unfavorable treatment of dividends in later years.

7. Special notice requirements in order for REIT dividends to be treated as capital gain dividends. Section 857(b)(3)(C) of the code is amended to eliminate the present requirement that a capital gain dividend be designated as such in a written notice from the REIT to its shareholders within 30 days after the close of the REIT taxable year. A notice to the IRS should be substituted.

8. Exclusion of net losses from prohibited transactions in the computation of REIT taxable income. At the present time real estate investment trust taxable income computed under section 857(b)(2) is not reduced by the amount of any net loss as incurred in any prohibited transaction in which a REIT is found to have engaged during the taxable year. This result flows from the present language of subparagraph (F) of section 857(b)(2), which causes an amount equal to any such net loss to be added under section 857(b) in computing the distribution requirement for a trust in a given year. The net effect of the existing formula is to cause a REIT to pay dividends or income taxes out of accumulated capital. Under the bill, the REIT provisions are amended to prevent such a result.

9. Imposition of three percent excise tax on certain income not distributed during the taxable year. Section 4981, imposing a three percent tax on certain undistributed REIT taxable income, is amended because the provision severely disrupts the flow of REIT dividends. Section 4981 causes many REIT's to make cumbersome, expensive supplemental dividends distributions during the fourth quarters of their fiscal years, while other REIT's, particularly those experiencing substantial growth, may find themselves unable to avoid the excise tax notwithstanding reasonable efforts to comply.

10. Imposition of the severe section 6697 penalty when the tax liability of a REIT for a prior taxable year is redetermined and adjusted under the section 860 deficiency dividend procedures, if a REIT elects under section 860 to distribute a deficiency dividend to its shareholders pursuant to an IRS or judicial determination of the necessity for adjustment of REIT taxable income for a prior taxable year, section 6697 imposes a substantial penalty on the REIT. This nondeductible penalty is assessed without regard to fault, is computed with respect to the interest payable on the amount of the deficiency, and may be up to a maximum of 50 percent of the amount of the deficiency dividend. Given the recent high interest rates and provisions for daily compounding, the penalty and interest charges payable to the Treasury may nearly equal the deficiency dividend payable to shareholders. If the underlying deficiency is large, the REIT may be financially devastated. This effect may render virtually meaningless the relief intended by the deficiency dividend procedures as a mechanism to prevent inadvertent disqualification from REIT tax status. To mitigate the potentially harsh result, the bill amends the section 6697 penalty so it is subject to a cap that takes into account not only the amount of the deficiency but also the net worth of the REIT and its income stream in years prior to the year in which the deficiency dividend is paid. Furthermore, section 6697 is amended to provide that the penalty shall be assessed only with respect to the portion of the deficiency attributable to a position taken by the REIT for which there is or was no reasonable cause.

11. Modification of the personal holding company rules applicable to REIT's to account for the unreasonable threat of disqualification of REIT's whose investors may also engage in other real estate ventures organized as partnerships. Under present law, a business trust or corporation may not qualify as a REIT if it is a personal holding company—PHC—that is, if five or fewer individuals actually or constructively own more than 50 percent of the value of the stock of the entity at any time during the last half of the entity's taxable year. Although this rule helps ensure that REIT shares are widely held and freely transferable, it creates undue risk of disqualification in two sets of circumstances. To remove the unnecessary risk, the bill makes the five or fewer test inapplicable during the organizations phase of a new REIT. Second, the bill modifies the constructive ownership standards of the PHC rules, as applied to REIT's, so that a REIT shareholder is not treated as indirect or constructive owner of REIT shares held by partners in a partnership in which the first shareholder also owns an interest.

12. Authorizations for a REIT to place assets in subsidiaries provided those subsidiaries and the parent REIT are treated as one entity for REIT tax qualification purposes. A REIT is effectively prohibited from owning and conducting operations through a subsidiary. Thus, all investments must be held in the REIT itself, perhaps to the disadvantage of the REIT and its investors for reasons that are unrelated to federal tax laws. The bill amends the REIT tax provisions to allow a REIT to own subsidiaries, provided that the qualified status of the parent REIT is determined by taking into account the assets, all items of income, gain, loss and expense, and all other tax attributes of those subsidiaries. Thus, REIT's and their shareholders might obtain the benefits of corporate subsidiaries while remaining fully subject to the organizational and operational constraints of the REIT regime.

13. Technical amendments to certain provisions of the Deficit Reduction Act of 1984 to remove unusual burdens borne by REITs because of their unique tax regime. The Deficit Reduction Act of 1984 ("1984 Act") amended the Internal Revenue Code to alter the tax consequences of installment sales of property subject to depreciation recapture and transactions involving loans or leases that allow deferred payment of interest or rents. In each case, the new rules may cause a taxpayer to recognize and pay tax on income when no corresponding amount of cash has been received. Because a REIT must distribute at least 95 percent of its taxable income as dividends to shareholders, these provisions impose extraordinary burdens on REITs. To insure that the tax consequences for REITs are made more comparable to those of other real estate owners or lenders, the bill provides that noncash amounts included in REIT taxable income by operation of the 1984 provisions are disregarded for purposes of the 95-percent distribution requirement.

14. Amendment of the REIT Distribution Requirement to Exclude Income Recognized by a REIT upon a Determination that an Exchange of Certain Real Property Failed to Meet the Requirements of Section 1031. The elective deficiency dividend procedures of section 860 were adopted to provide much needed relief from the threat of inadvertent disqualification of a REIT. As discussed elsewhere, the REIT industry believes that the interest and penalties imposed by section 860 and related provisions may virtually neutralize the benefits of a deficiency dividend. Furthermore the deficiency dividend provisions fail to provide meaningful relief if audit or other preceedings culminate in a determination that a like-kind exchange of REIT property should be denied tax-deferred treatment under section 1031. While further study may reveal other contexts in which inadvertent tax deficiencies may be so great as to render the section 860 election meaningless, the bill contains an amendment to remove the threat of disqualification from REIT status if a REIT must recognize income because of an adverse determination on the status of a purported section 1031 exchange.●

A UNIQUE PROPOSAL ON BASING THE MX

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

● Mr. STRATTON. Mr. Speaker, recently, an editorial in the Washington Alert by Martha Rountree, the president of the Leadership Foundation, came to my attention. I am not technically qualified to appraise the soundness of this proposal, but I believe it needs to be considered by the Pentagon, and I am happy to bring it to the attention of my colleagues who recognize the need to incorporate the MX system into our nuclear deterrent, in the face of continued Soviet production of hard-target kill capable ICBM's.

The editorial follows:

CAN U.S. HOLD SOVIETS AT ARMS LENGTH

(By Martha Rountree)

The so-called arms race between the U.S. and the Soviet Union boils down to the big question of "How can we protect oursevles against an enemy 'first strike'?" Actually, there doesn't seem to be any way to guarantee against the possibility of the Soviets seeking ways to destroy us. Therefore, the challenge to the U.S. is to devise a system that can guarantee automatic retaliation. Our good friend, Dr. Kurt Stehling, a member of our Scientific Advisory Board and noted aerospace and marine scientist, has convinced us that there is a way to put the enemy in check.

Now, we have been hearing for a long time about the need to put the MX underground in existing silos. We would take out the older missiles, and re-engineer and harden the silos to protect the MX. This would cost millions of dollars.

Dr. Stehling thinks this is folly. If the MX missiles are located on the land area, then that will be the enemy's target area. If our timing is off, our missiles will be destroyed before we have a chance to retaliate. He suggests that there is a fairly fool-proof way to make sure that the Soviets dare not attack us less they be annihilated simultaneously.

NEW PLAN

His suggestion is to locate all U.S. Inter-Continental Ballistic Missiles (ICBMs) underwater. He suggests that all U.S. missiles (other than those on existing Trident nuclear submarines) be placed on large barges

towed underwater up and down within the 200-mile coastal zone areas of the United States. Each barge, towed by a relatively small, "cheap" diesel-powered submarine, might contain 20 or so ICBMs, including the MX.

This strategy, Dr. Stehling contends, would obviate the enormous cost of expanding our Trident nuclear submarine fleet, even if this were "allowed" be treaty. The proposed underwater basing would dramatically reduce the chances of a Soviet "first strike". With all military missile land targets thus removed, Dr. Stehling believes that no "first strike" would be attempted, at least against the land targets or the continental U.S., because instant retaliation would follow any attack.

DETECTION

The hundred or so undersea barges, moving slowly up and down our coastal areas, with some of the barges containing dummy missiles, would be difficult to detect by our enemy. In fact, all undersea vehicles or objects are almost impossible to locate accurately, especially if they can be made resistant or protective against sonar (sound location) search by Soviet submarines. Satellite detection of underwater vehicles is almost impossible, although improving. A means of camouflage for "fooling" space detectors could easily be devised, and U.S. coastal area Coast Guard and Navy vehicles could shoo the Russians away to confuse their detection schemes.

ACCIDENTS

We asked Dr. Stehling if there was any chance of the missiles being triggered during a violent storm? "This is virtually impossible," he said. Underwater, the missiles would be stable; storms would not affect them. The barge housing the missiles would have a lid over the top of each missile. Each one would sit in its own tube, and the lid would have to be opened before it could go anywhere. If a missile should go off by mistake, before the warhead could be activated it would need to receive an all-clear signal. The engines would shut down unless there was such a definite signal—and the missile would self-destruct.

MORE EFFECTIVE PLAN

Human nature being what it is, it is our belief that not even the Soviets would attack us if they knew that missiles targeted to their territory far out from our shores, would descend upon them immediately. It seems that Dr. Stehling's development plan might provide us with a military stand-off that would let us sleep easier at night. Indeed, Dr. Stehling's plan might well change the course of history●

ONE HUNDRED YEARS OF UKRAINIAN IMMIGRATION TO THE UNITED STATES

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

● Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in paying tribute to Ukrainian-Americans all over the country, who this year are celebrating 100 years of Ukrainian immigration to the United States.

Today, the Ukrainian-American community descends primarily from three waves of immigration from 1875 to World War I, between the World Wars, and after World War II. However, the first Ukrainians came to this country with the early settlers who founded Jamestown in 1607, and are among those who fought bravely under Gen. George Washington during our American Revolution, as well as all subsequent battles to preserve our American way of life.

Since the Communists have been brutal in their attempts to "russify" the people of Ukraine and strip them of their cultural and religious heritage in Soviet-occupied Ukraine, Ukrainian-Americans have been even more inspired and determined to establish museums, libraries, and university programs to counter the Soviets and to preserve Ukrainian culture.

Many colleges and universities in this country now offer courses in Ukrainian history and language, and Harvard University has established the Ukrainian Research Institute with endowed chairs in Ukrainian history, language, and literature. Several Ukrainian art museums and cultural centers have been built throughout the country, and these activities not only have preserved the ethnic heritage of the Ukrainian people, but also have enhanced the ethnic diversity of America.

Ukrainians who have immigrated to the United States have brought with them love of liberty and their respect for law. Allowed to practice their religion in freedom, Ukrainian Catholic and Orthodox immigrants constructed beautiful golden dome churches, which are a visible part of the skyline of many American cities especially in the Northeast. Several Ukrainian newspapers, including "Svoboda," and its English-lanugage edition, "The Ukrainian Weekly," join the ranks of hundreds of other ethnic periodicals and newspapers enjoying the constitutional guarantee of a free press.

Americans of Ukrainian descent and Ukrainian-born immigrants to this country have contributed mightily to the social, scientific, economic, political, and cultural advancement of our Nation. They have helped make the United States one of the greatest countries in the world.

Mr. Speaker, on this occasion of 100 years of Ukrainian immigration to the United States, I am proud to congratulate Ukrainian-Americans in the 11th Congressional District of Illinois which I am honored to represent, and Americans of Ukrainian descent throughout the country, on their achievements and contributions, making our community and our Nation a better place to live, and I extend to them my best wishes in their continuing efforts which add to the strength and greatness of America.●

CUBAN INDEPENDENCE DAY

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

● Mr. PEPPER. Mr. Speaker, it is a great pleasure for me to call your attention and that of our colleagues to the fact that on this day, since the House was not in session yesterday, we commemorate the blessings of freedom in Cuba through the inestimable leadership of Jose Marti, the "founding father" of independent Cuba.

It was exactly 83 years ago, on May 20, 1902, when Cuba, with the aid of the United States, her powerful neighbor to the North, raised her flag of liberty and independence. A new era of democracy and liberty began for that beautiful isle we once called "the pearl of the Caribbean". It was remarkable that Cuba was freed with the help of a great nation, instead of being colonized. In 1902 Cuba increased her freedoms.

Today that once beautiful land lies enslaved by one of her errant sons who seeks his glory in being dictator of his people. They who were lifted up have been made dependent upon the bloody tyranny of Castro and his cold and calculating allies in the Kremlin.

In memory of independent, free Cuba Msgr. James P. Cassidy today gave a moving opening prayer on the House floor. He was accompanied on his journey by the officers of the Cuban Crusade for Relief and Rehabilitation, an organization pledged to keep alive the remembrance of Cuban independence and liberty, so dastardly violated by Castro, the cruel dictator.

I commend the following two manifestos of the crusade to the attention of our colleagues in Congress and thank you, Mr. Speaker.

1985 CUBAN INDEPENDENCE DAY

On rising resistance towards Cuban, Eastern Europe, North Korean, etc., mercenaries presently holding together the Soviet Russia's vast empire. When American troops landed 15 months ago in tiny Grenada, a country with a population half of Yonkers, they encountered in addition to the Cubans, "armed construction workers," 55 assorted Russians, East Germans, Bulgarians, and North Koreans. Why were those people so far from home on the pleasant island of Grenada? What were North Koreans up to in sunny Grenada? The logical answer is that they were colonial officials doing their duty in a worldwide Soviet Empire.

CIA Chief William Casey pointed out recently in New York that in the last 20 years the Soviet Union has become a global empire with bases and surrogates in Cuba, Vietnam, Ethiopia, Angola, South Yemen, Mozambique, Nicaragua and Afghanistan. In the last 10 years the number of Warsaw Pact and Cuban troops, military advisers and technicians stationed in Third World countries has increased by an incredible 500 percent. Examine some of the detailed figures established independently by analysts at the Washington based Heritage Foundation.

Syria hosts 5,000 Soviet and East European military personnel of whom 210 are East Germans and 130 Polish. South Yemen has invited in 1,100 Soviet and East European military personnel and 2,700 economic technicians. Mozambique is occupied by 550 Soviet and East German advisers and 1,800 economic technicians. North Korea, a small and impoverished country has 240 military technicians; in Libya 35 military instructors; in Uganda 34 military instructors; in Zimbabwe (who trained the Fifth Division, blamed for last year's massacres in rebellious Matabeland) 140 military personnel in South Yemen; 33 military instructors in Malta, the Grenada of the Mediterranean; and military personnel in 14 other countries around the world.

However, Cuba leads all. But, this imperialistic performance pales in comparison with that of Cuba, which though it is an economic disaster area, living in massive subsidies from the Soviet Union, manages to maintain 23,000 troops plus 6,500 economic technicians (armed economic technicians perhaps?).

In Angola, 3,000 troops, in Ethiopia 1,000 military personnel on Mozambique and 3,000 military personnel and economic technicians in Nicaragua.

Heritage's total figures for the Soviet block military involvement in Third World, excluding the Soviet occupying force of over 100,000 in Afghanistan are:

Soviet Union	16,280
Eastern Europe	1,925
North Korea	1,151
Cuba	31,175

By contrast, the British acquired a vast Indian Empire with a force of 900 European soldiers and 2000 Indian recruits.

But the situation is changing and deteriorating all the time. Since those figures were compiled North Korean troops have been arriving in large numbers in Angola to help counter the successful campaign of anti-communist Unita guerrillas.

Not all of the countries which accept Soviet military personnel are under their heel. But some are in effect colonies, others are reduced to client status and still others are well on their way there. Thus the specialty of East German military advisers is to get control of the Third World country's secret police and intelligence services, so that any later request by the country's ruler that they leave can be ignored. Indeed, the ruler himself can be ignored, for he is no longer the ruler.

In 1968 Dubcek's rebellious Czechoslovakia was invaded by the neighboring countries of the Warsaw Pact under Soviet direction.

Today, the Soviet Union possesses the same capacity on a global basis. A man in a Moscow office can pick up the telephone and instruct the North Koreans to send troops to shore up a crumbling client regime in Angola. He can request the East Germans to relieve hard pressed Cubans in Ethiopia. If an anti-communist rebellion threatens anywhere in the far-flung Soviet Empire, he can move in foreign troops from another source unsympathetic to the local insurgents to restore the status quo.

Despite the odds against them, however, brave men will still fight for freedom. As Casey pointed out today in Afghanistan, Angola, Cambodia, Ethiopia, Nicaragua and elsewhere, hundreds of thousands of volunteers are fighting irregular wars against the Soviet army and Soviet supported regimens. These are genuine wars of national liberation against a global tyranny. These freedom fighters engaged in them do not expect the help of U.S. personnel; but they do hope for U.S. aid in the form of money and modern military hardware. None more so than the Nicaraguans: Contras who are struggling to overturn the first communist tyranny on the American mainland.

This is the underlying truth on which the Senate and House Intelligence and Appropriations Committees must ponder when they vote on funding the Contras. And if these committees appear to be forgetting it, Don Regan's new White House team must remind them of it with chapter and verse on the new Soviet imperialism. History must not record that the Soviet Union gained an empire on which the sun never sets while America slept.

The Cuban Crusade has been struggling for twenty-six years against communism and atheism in Cuba, knowing full well the dangers it posed for the Western Hemisphere having seen the Cuban revolution stolen before their eyes in Cuba by communists. On May 19, 1965, the late General Generoso Campos Marquetti of the Cuban Liberation Army who fought in the Spanish-American War, alongside Teddy Roosevelt and his American troops called "Rough Riders," did attend as Honorary Chairman and Organizer of the Cuban Crusade, etc. "Cuban Independence Day" commemoration of that date in Washington, D.C. in the House of Representatives.

He was 90 years old and dying. He died that very day in Washington, D.C. after turning over his Cuban flag which represented free, democratic, sovereign, and religious Cuba. Our beloved Cuban Crusade founder, the late Candy Achay had that flag made specially by Cuban hands in exile for the General to present to Cuba's best friend, the late Speaker John W. McCormack in the Speaker's rooms in the U.S. Capitol. At the flag presentation to Speaker McCormack, General Campos Marquetti declared, "America has no need to send Americans to liberate Cuba; it has only got to give the necessary arms to Cubans, for them to execute that honorable task."

The Cuban Crusade has the honor to have inherited that task. His legacy was declared in a letter to Miss Candy Achay and Dr. Joseph R. Julia, leaders of the Cuban Crusade and dated March 11, 1966, which stated in parts: "I recall the glorious Cuban American happening of May 20, 1902. Before the astonished eyes of the entire world for it saw what had never been contemplated before in all history. The turnover of flags from a strong liberating nation to another country, liberated and weak, exacting no financial debt whatsoever, or international obligations imposed. This newlycaught universal attention to the very firm and invariable conduct of the North American people demonstrating that America did not care for the cost in dollars, blood or in lives ripped from its own entrails, when called upon to sacrifice for liberty of the oppressed, for the miracle that is democracy and for the right of the free individual.

"America is death to imperialistic slavery and to the abuse of power. This generous and virile condition of a people that loves universal peace, does not seem the labor of man, but of God Almighty. It is Christianity incresendum in a land where Jesus Christ never treads in person, making and maintaining mutual love amongst those opposed to nations are jealous of foreign power from the old continent." signed, General Generoso Campos Marquette.

We members of the Cuban Crusade do herein declare on this historic Cuban Independence Day in the U.S. House of Representatives May 21, 1985, in the glorious names of our founder, the late Candy Achay and our respected late chairman, General Generoso Campos Marquette, do believe today there is the manpower to execute the liberation of Cuba, requiring only the adquate military weapons and logistics.

Dr. Joseph R. Julia, President, Cuban Crusade Political Committees. Dr. Alejandro Paniaqua, President Caribbean Committee. Mr. Joseph Yall, President, African Committee. Mr. Peter Harwich, Chairman, Cuban Crusade Campaign 1984. General Kei-Chi Chiu, Taiwan, General Adviser.

1985 CUBAN INDEPENDENCE DAY

Respectfully, our message is being addressed to His Excellency Ronald W. Reagan, Vice President George Bush and Administration, Honorable Speaker Thomas O'Neill Jr., Congressmen Claude Pepper, Dante B. Fascell and all other members of Congress.

Our late Candelaria (Candy) Achay, spiritual leader of our Crusade, ever since she conceived it in 1961, still guides us towards hemispheric peace and prosperity with heavenly inspiration. Her words spoken during a Cuban Crusade meeting January, 1984, stated our present powerful guidelines. She stated: "The moment of truth is now."

Her Vincentian Fathers Committee of Cuba together with the Vincentian Fathers Cuba Province, are strenuously continuing their efforts to construct Cuba's government approved program via Resolution 575 of July 5, 1960 "Obra Benefice Religious Social" as a symbol of reconciliation between all Cubans with Americans and their Western Hemispheric brother nations. Contributions from global Catholics and all other participating religions will definitely establish the common denominator necessary for international peace for which Candelaria Achay struggled all her meritorious life to achieve, specially for her beloved Cuba.

Today the climate for the success of "Obra Benefica Religiosa Social" inside Cuba is improving since there is a definite movement toward reconciliation between communist Cuba and the Catholic Church and all other religions inside Cuba.

Herein we quote, from the important religious publication "Nueva Vida" (New Life) of April 13, 1985, Madrid, Spain, the following: "Everything seems to indicate that Fidel Castro's policies are changing directions on two important issues. Firstly, the Cuban leader wishes to improve his relations with the United States and open his country to the outside world, and secondly, improve his relations with the churches that are present on his island, specially the largest Cuban religion, the Catholics. To accomplish this the Cuban communist party, the only political party in Cuba, has created an "Office for Religious Affairs" which in some manner issues citizenship status to all religions which up until now was limited only to civilians.

The visit by North American bishops to Cuba and other ecclesiastical personalities such as the secretary general of Celam seems to forecast the coming visit of His Holiness Pope John Paul II to Cuba; a desire expressed several times by the Pope. This visit could coincide with the closing in the beginning of 1986 of the "Reflections of the Catholic Conference in Cuba" a sort of "study for all Cubans" and, a "search of conscience by all Cuban Christians."

What Candy Achay stated as an all important "must" is the re-establishment inside Cuba of the complete religious freedom that existed before communism temporarily took power in Cuba with Fidel Castro in 1959. She stated "if religion is completely state controlled inside Cuba, a dangerous precedent will be established that will have dangerous repercussions in our hemisphere." However, our Cuban government approved Resolution 575 of July 5, 1960, sets a unique precedent, since it permitted for the first time the teaching of religious and social work within a Communist nation.

Our "Obra Benefica Religiosa Social San Vicente de Paul en la Sierra Maestra" was conceived and officially sanctioned as an autonomous organization without any government control or intervention.

Freedom of religion is just as vitally important as "life, and liberty and the pursuit of happiness" is to all democracies. This is specially so in Latin America today, where nearly half of the world's Catholics live. The "Obra Benefica Religiosa Social" inside Cuba today is as important to hemispheric freedom as the "alamo" was for America in its struggle for unity, democracy, and sovereignty.

According to the Spanish "Vida Nueva", before Fidel Castro's arrival to power on January 1959, Cuba was considered a total Catholic nation, since 90 percent of its population was baptized Catholic, and the church maintained a great influence as in all Latin America, in national problems.

In 1960 there were six dioceses, 210 parishes, 240 diocesan priests, 483 parish priests and 2,225 nuns. The majority of that clergy was of Spanish origin and it maintained a remembrance of the Spanish Civil War, which made them very fearful of any rapid social changes. Actually, in Cuba today there are seven dioceses, 235 parishes, 120 diocesan priests, some 93 parish priests and 300 nuns. They minister to an approximate Catholic population of 38.87 percent of the entire population, which amounts to four million of a total of ten million Cubans.

It is estimated that some 75,000 persons attend Catholic Sunday mass and 5,000 participate in Protestant services. This is a good attendance record, in view of the prevalent discrimination against practicing Catholics in schools, work, etc. Actually in the United States reside more than 150 priests from Cuba, mostly in Florida, where one of them, Agustin Roman, auxiliary Bishop of the Archdiocese of Miami, exiled since 1960, has a potential of one million Cuban resident parishioners.

Nevertheless, as stated by the Archbishop of Havana, "This opening has to be consolidated . . . we still cannot ring the church bells, since all that glitters is not gold." And pursued "Fidel Castro is an old political fox, and is intuitive of good opportunities. His position at this moment is simply strategy."

During July, 1960, Fidel Castro's government approved our "Obra Benefica Religiosa Social in the Sierra Maestra" Mountains of Oriente, Cuba." A program which was championed in Cuba via our Vincentian Father Committee that includes our "Development of Natural Resources of Cuba", an engineering feasibility report, the financing of which Fidel Castro was vitally interested and still today greatly interested, for Cuba's economy is in shambles. This report contemplates the creation of dozens of new industries inside Cuba. This study spells out the preparation of Cuba for it to enter a new economic era of real progress.

It must be understood however that any successful rapprochement with Castro today is contingent to his most inner emotions and strategic unpredictability. He may decide to a) establish adequate relations with the U.S.A. and other nations, as a demonstration of genuine concern for Cuba's future with peace and prosperity; or b) he may be merely using all his dictatorial powers to follow orders from Moscow and continue to play political games with the churches, the world, and its own people.

Candy Achay "Power of the Cross" revelation of the Patroness of Cuba, the Virgin of Charity. . . . "reveals Cuba's future, via divine intervention." Cuba will be democratic, sovereign and religious once again.

A hemispheric Christian Democratic Committee Symposium is being organized in Miami, Florida, under the auspices of the Cuban Crusade for Relief and Rehabilitation. It brings forward a platform for action, for the peace and prosperity of our hemisphere, and the reunification of all cubans under the almighty.

However, in complete compliance with the last request from our prophetic leader Candy Achay, who as power of attorney for the present Cuban Crusade Catholic program originally approved by the present Cuban government, "Obra Benefica Religosa Social San Vicente de Paul en la Sierra Maestra," said, "The moment of truth is now here."

The Cuban Crusade shall execute whatever is required and necessary to raise Candy Achay's Cuban Flag, free, democratic, religious, and sovereign above the Morro in Habana, Cuba as soon as possible.

Dr. Joseph R. Julia, President, Cuban Crusade Political Committees. Dr. Alejandro Paniaqua, President Caribbean Committee. Mr. Joseph Yall, President, African Committee. Mr. Peter Harwich, Chairman, Cuban Crusade Campaign 1984. General Kei-Chi Chiu, Taiwan, General Adviser.●

MISSING CHILDREN

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

Mr. DYMALLY. Mr. Speaker, I have been informed by the police department in my district that one of my young constituents has been kidnaped. I am participating in this special order because I want to do everything I can to help call attention to the case, in the hope that she might be found. [Hold up picture.]

According to a fact sheet provided me by the police department, Ilene Rebecca Scott, aged 10 years and 5 months has been missing from her home in Carson, CA, since December 20, 1980. Ilene Scott was last seen rollerskating near her mother's mobile home trailer in Carson. When first reported missing she was 3 feet 6 inches tall, and weighed 40 pounds. She has blue eyes and brown hair.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Ilene Rebecca Scott call 1-800-843-5678.

I commend Congressman MICKEY EDWARDS for his leadership on the missing children issue.

Let me repeat, if anyone has any information about the whereabouts of this child, or has seen her please call 1-800-843-5678, or call your local police or sheriff.

Thank you.

WORLD TRADE WEEK

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

Mr. SKELTON. Mr. Speaker, this is World Trade Week. We set this week aside to focus attention on the important role that exports play in our economy. In 1984, our trade deficit dramatically increased to over $120 billion. That is more than double the red ink of any previous year. It has only been recently that the United States has been a net importer of goods. During our first two centuries, we were a net exporter of goods and after World War II we dominated the world marketplace. Most countries beat a path to our door to soak up our excess production and learn of our technology.

Starting a decade ago, shortly after the Arab oil embargo, the United States began to routinely import more than we exported. These last 3 years have produced the worst balance of trade in our history. These record-breaking trade deficits have had a noticeably adverse effect on our economy. Those who say we should ignore the problem that it will simply disappear once the dollar declines know nothing of our trade competitors. They also overlook the high cost to our country of these trade deficits. While we sleep, our market share is eroded, jobs are lost to overseas manufacturers and profits made in foreign nations to research, develop and modernize. Our trading partners, and particularly our Asian trading partners, learned long ago that exports and value added are necessary for them to survive. It is a lesson that we must still learn.

One way to increase our Nation's exports is to encourage small businesses to participate in the world market. So far, small businesses have made only a limited contribution but their growth potential is unlimited. Presently, 200 large businesses account for 80 percent of our export trade while less than 10 percent of small business manufacturers—approximately 25,000 companies—export. Ninety-two percent of all American firms sell only in the United States, while over 93 percent of the world's population is outside the United States.

The General Accounting Office [GAO] estimates that at least 20,000 small businesses could be exporting but choose not to and that those small businesses could be bringing in an

extra $4.2 billion per year back home. Remember that for every $1 billion of exports 32,000 jobs are created. We must tap this potential and increase the number of small business exporters.

There are many ways that the United States could be encouraging small business exports. A few years ago, for example, a Senate study showed that the biggest obstacle to entering world trade for our small businesses was lack of information. Today, the SBA International Office and the United States and Foreign Commercial Service of the Commerce Department provide volumes of useful services and information but, as one report said, they are apparently the "best kept secret in Washington."

Other problems frequently mentioned by small business owners are:

First, the strength of the U.S. dollar;

Second, the perception that exporting is too complicated;

Third, the lack of information: how to export guides and marketing information;

Fourth, licensing and regulations; and

Fifth, financing and obtaining capital.

Congress has provided tax incentives—such as Foreign International Sales Corporation and free trade zones; antitrust protections, through the Eximbank small business setasides and the OPIC; and finally, efforts have been made to clear away the redtape and delay in licensing of products to be sold overseas through amendments to the Export Administration Act.

There is a natural tendency to view our exports as products or manufactured goods. We can also focus on new markets by not limiting our perception. World Trade Week is also recognized as National Tourism Week, for example. While we do tend to think of vacations and traveling as a service industry, we must also realize the industry's contribution to our balance of trade. Tourism is an export. Attracting international visitors is a unique export product. We need to remember that the most important part of an export is that it brings foreign money to us. We can do this by either sending products out of the country or attracting foreign travelers to our country. Tourism is simply an export that is consumed here by foreigners. Tourism comprises a $14.4 billion export industry—the second largest generator of U.S. export receipts among the manufacturing, agricultural and service sectors. The revenue is from all of the food, lodging, transportation and entertainment which the 21 million international visitors traveling in the U.S. purchase each year. These purchases reduce our trade deficit, create jobs here for Americans and support many many small businesses. Dollars spent by foreigners go directly to our restaurants, hotels and motels, entertainment, and recreational facilities and travel agents to name a few. And indirectly, they generate more than $1 billion in Federal, State, and local tax revenues.

The competition for this export market is as steep as any other. We must work toward attracting more foreign visitors. We have a lot to offer tourists and they in turn contribute immensely to our economy.

Finally, and perhaps ironically, our American belief in free enterprise and open markets have contributed to the trade problems which now exist. We are swamped with cheap—in some cases unfairly cheap—foreign imports while their country's doors are slammed in our face. While we should oppose protectionist measures we can no longer afford to give away our jobs and markets to those who choose not to compete on an equal footing—Congress is ready to remedy unfair competiton.

Mr. Speaker, we have come a long way toward overcoming the obstacles that have hindered our small businessmen, who are capable of meeting any challenge, from entering the world market. In the next few weeks, as we work on the budget, we should remember that our efforts there may help to reduce interest rates and stabilize the dollar to make our products that much more attractive.

The apparent lack of leadership on this issue within the executive branch is regrettable. In addition, to the budget proposals that would have scrapped or curtailed much of the export mechanisms, I note the President deleted the customary section on exports in his annual report to Congress on the state of small business. Hopefully, this is not a sign that the administration has given up or worse, feels it is not important enough to justify a report.

□ 2030

GENERAL LEAVE

Mr. EDWARDS of Oklahoma. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order this evening.

The SPEAKER pro tempore (Mr. DYMALLY). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

MISSING CHILDREN

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

Mr. EDWARDS of Oklahoma. Mr. Speaker, before beginning my special order this evening I would like to yield to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. I thank the gentleman for yielding and appreciate this opportunity to advise the membership that I will not take the special order I had requested for this evening after the gentleman concludes and will reschedule it for another day.

If I might, I want to extend my congratulations to the gentleman for the great work he does on the subject that he is about to discuss with the Members of the House.

Mr. EDWARDS of Oklahoma. I thank the gentleman.

Mr. Speaker, this is the second time in 2 months—and the fourth time in the last year—that I have taken to the floor to use these proceedings to try to locate some of the 1.5 million children who each year are reported missing, either because they have run away from home, have been abducted by strangers, or have been stolen by a parent who did not have legal custody.

Including today, about 50 Members of Congress have participated in these special orders. I want to particularly thank the Speaker, the gentleman from California, [Mr. DYMALLY] who also participated in this special order this evening. It's one way that each of us can help find children reported missing in our districts. I also invite my colleagues to consider cosponsoring some of the legislation I have introduced on this issue, including a bill to make parental kidnaping a Federal crime, a measure to declare May 25 to be "National Missing Children Day," and a sense of Congress resolution which I introduced today calling on the 1,200 commercial and public television stations across the country to regularly broadcast public service announcements about individual cases.

There is no doubt that television is one of the most effective ways to generate leads about individual cases. The day after my last special order on April 2, for example, the National Center for Missing and Exploited Children received a 100-percent increase in the number of calls reporting sightings of the children whose pictures were shown the night before.

Mr. Speaker, at this time I recognize the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL. Mr. Speaker, I have been informed by the federally funded National Center for Missing and Exploited Children that two of my young constituents from North Wilkesboro, NC, were believed to have been kidnaped in July 1982, and are still missing. I am participating in this special order today because I want to help call attention to their situation, in the hopes that they might be found. [Hold up pictures.]

According to fact sheets provided to me by the Center, Galvin Lee Sidden, 13, and Garry Patrick Sidden, 18, brothers, both from North Wilkesboro, disappeared July 21, 1982, on the night their father was killed. They are believe to have been taken by a man charged with murder in the death of their father.

Galvin is a male Caucasian with blue eyes and dark blond hair. When he was last seen he weighed about 120 pounds and was 5 feet tall. He has no identifying marks.

Garry is a male Caucasian with brown eyes and brown hair. He has a bad limp because of a problem with his right leg and has a 2-inch scar on the palm of his left hand. He is thought to be about 5 feet 5 inches and weighs about 160 pounds.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Galvin or Garry call 1-800-843-5678.

Like many of my colleagues, Mr. Speaker, I have cosponsored various commemoratives: the Missing Children Day in May, National Child Safety Week in September, National Children's Week in October, and National Child Abuse Prevention Month in April, in an attempt to focus attention to the tragedy of missing children and to educate our children and ourselves concerning the best methods of protection. However important these bills are, there is no better way to really help the situation than H.R. 604, the Missing Children's Assistance Act, which provides for matching Federal grant funds for $2 million in fiscal year 1986 and fiscal year 1987 to State law enforcement agencies to set up State clearinghouses for missing children. Mr. Speaker, the truth of the matter is that it has been easier to locate stolen cars than stolen children. We need this legislation and I would urge my colleagues to cosponsor this bill if they have not. I hope we can pass this bill soon to make a real difference in our effort to locate missing children.

Mr. EDWARDS of Oklahoma. I thank the gentleman from North Carolina and would point out that he asked to go first so that he could leave to be with his own child, which I think is an indication that the situation we are dealing with is one that certainly crosses all party lines and unites all of us who care so deeply about children and trying to help keep their lives happy.

□ 2040

At this time I would like to yield to the gentlewoman from Nevada [Mrs. VUCANOVICH].

While she is moving down here I might point out, Mr. Speaker, we do have the phone numbers here that are being shown, for the National Center for Missing and Exploited Children, so that people can call if they have seen these children.

Mrs. VUCANOVICH. I thank the gentleman for yielding and for taking this special order.

Mr. Speaker, I would also like to commend my colleague from Oklahoma [Mr. EDWARDS] for taking out this special order and would like to assure him that I would be happy to cosponsor any legislation which will help in locating these missing children.

I am here tonight to talk about Tony Franko. He has been missing a little over 2 years now. He disappeared on his way to school on May 9, 1983, in Lemmon Valley, NV, which is a suburb of Reno. The police department in Reno which investigated Tony's disappearance believes that he was kidnaped. Tony Franko was only 10 years old when he disappeared and he would be 13 years old this August. He has brown hair and brown eyes and was almost 5 feet tall on the day he was last seen.

As you see, here is his photograph. I am participating in this special order today because I am terribly concerned about Tony and I would like to do everything that I can to bring about his safe return to his family. I really do not think that any of us can appreciate the anguish and fear that his family must be experiencing. I am sure that Tony is the last thought they have at night when they drop off to sleep and certainly first thing when they wake up in the morning.

As his Representative and as a member of the Subcommittee on Children, Youth and Families, and on behalf of the 160,000 children who are reported missing every year in this country, I would appeal for assistance in trying to find Tony.

Anyone who recognizes him is asked to call the National Center for Missing and Exploited Children. The number that is listed here, I think some people might like to know that the last four digits stand for the word "LOST".

I thank the Speaker and I thank my colleague Mr. EDWARDS.

Mr. EDWARDS of Oklahoma. I thank the gentlewoman for her participation.

Mr. Speaker, I would now yield to the gentleman from Florida, Mr. LEWIS.

Mr. LEWIS of Florida. Mr. Speaker, I thank the gentleman from Oklahoma for holding this special order.

Dorothy "Dee" Scofield was last seen on July 22, 1976 in Ocala, FL.

Dee had accompanied her mother to the Ocala Shopping Center and had gone across the parking lot alone to buy a birthday present for her brother, while her mother took a written driver's test at the opposite corner of the shopping center.

They were to meet later and attend a movie.

Dee Scofield never made it to that movie.

Police in Ocala suspect foul play.

Dee has brown hair, blue eyes, and, at the time of her abduction was wearing teardrop shaped eyeglasses.

I urge anyone with information about Dee to please call the National Center for Missing and Exploited Children at 1-800-843-5678.

Mr. Speaker, Dee's disappearance should indicate to all of us that a uniform and effective program to find missing children should be implemented in all States across the country.

More importantly we need to involve those agencies which search for and locate missing children.

I'm speaking, of course, about our State and local law enforcement personnel.

After all, when a child is missing, a parent's first reaction is to call the local police department.

And as we all know, the first 24 hours in a situation like this is critical.

For this reason, local law enforcement officers should be trained experts in crisis situations involving missing and abducted children.

With the proper telecommunications systems and trained personnel, State and local law enforcement serve as an extremely effective frontline resource in the fight to locate and save our children.

Therefore, I have introduced legislation to provide matching grant funds to State law enforcement departments to set up State clearinghouses for missing children information.

These clearinghouses provide an essential link between all levels of law enforcement, local, State, and national.

Currently 123 of my colleagues have joined with me in cosponsoring this important legislation.

I encourage all of you to cosponsor this legislation. It is an effective way to actually help solve the problem.

Again, anyone with information about Dee's whereabouts, please call the National Center at 1-800-843-5678—5678 on your phone is "lost". Again, 1-800-843-5678.

Thank you.

Mr. EDWARDS of Oklahoma. I thank the gentleman for participating once again. He has shown his concern about this issue several times and I appreciate it very much.

Mr. Speaker, I yield to my colleague from Oklahoma [Mr. ENGLISH].

Mr. ENGLISH. Mr. Speaker, I, too, would like to join my colleagues in commending Mr. EDWARDS of Oklahoma in requesting this special order.

Mr. Speaker, I have been informed by the National Center for Missing and Exploited Children that one of my young constituents has been kidnaped. I am participating in this special order because I want to do everything I can

to help call attention to the case in the hope that he will be found.

According to the information provided me, young Shannon Patrick Ketron was last seen June 17, 1982, near my hometown of Cordell, OK. His mother was assaulted by a stranger. When she regained consciousness, Shannon and the stranger were gone. At the time of his kidnaping, Shannon was only 7 months old. Shannon is a white male with blue eyes and blond hair.

Shannon Patrick Ketron is one of countless missing children. It is a national tragedy that we must stop. In the past 2½ years, a number of steps have been taken to halt this nightmare and return the children to their homes safe and sound. In an effort to continue to focus public attention on the enormous problem, I have joined with Representative EDWARDS and others in cosponsoring House Joint Resolution 281, declaring May 25, 1985, as "Missing Children's Day." I sincerely hope that the time will come very soon when we can put this national tragedy behind us.

Thank you, Mr. Speaker.

Mr. EDWARDS of Oklahoma. The gentleman from Oklahoma [Mr. ENGLISH] commented about the hope that some of these children would return home. One of our colleagues, Mr. SUNDQUIST, from Tennessee, was scheduled to participate in this special order but is not because the child who he was going to talk about did in fact return home safely last night, which is one of the things that gives us hope and something to work for.

Mr. Speaker, I now yield to the gentleman from Massachusetts [Mr. MOAKLEY].

Mr. MOAKLEY. I thank the gentleman, my colleague from Oklahoma [Mr. EDWARDS] for taking this special order tonight in order to acquaint Congress with this very serious problem, and also those in the listening audience.

Mr. Speaker, I was recently informed by the federally funded National Center for Missing and Exploited Children that one of my young constituents, Wilfredo Torres, has been kidnaped I am participating in this special order because I want to do everything I can, to help call attention to this case, in the hope that he might be found.

According to the fact sheet provided to me by the National Center, Wilfredo Torrres of Dorchester MA, was last seen on May 9 1983, leaving an apartment building with a man who the police know had previously been charged with sexual abuse and murder, but was subsequently acquitted. Wilfredo was born on August 8, 1970, and is now 15 years old. At the time of his disappearance he was 13 years old, 4 feet tall and weighed 60 pounds. He is Hispanic and has brown hair and brown eyes.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Wilfredo Torres, please call 1-800-843-5678.

Since the passage of the Missing Children Act in October 1982, nationwide efforts to locate missing children have been greatly enhanced. This support on the Federal level has lead to even greater awareness and activities on the local level and in the private sector to help find missing children. Increased attention to this issue coupled with distribution of information and photogaphs of these children has not only helped find missing children, but has been instrumental in educating the general public, on the gravity of this situation. I applaud all these efforts, both public and private, and pledge my continued support in helping to locate missing children and reunite them with their loved ones.

Thank you very much.

□ 2050

Mr. EDWARDS of Oklahoma. I thank the gentleman, and I yield now to the gentleman from Idaho [Mr. CRAIG].

Mr. CRAIG. I would like to once again thank my colleague from Oklahoma for taking out a special order in relation to missing children. This is the third special order that my colleague from Oklahoma has called, and I must say they have been extremely effective in raising the visibility in this national tragedy.

I want to add a personal note to my involvement with young Jason Amini, and I want to congratulate my friend from Oklahoma. The other evening I was attending a movie in a theater here in Virginia, and prior to the movie starting they were doing promotional ads from different businesses and interests and community service ads on the screen of the theater. National Child Find showed a picture, courtesy of that theater, of young Jason Amini of Sagle, ID, and I can tell you there was a moment of thrill, to think that we had been able to assist in lifting the visibility of this missing child to a national stature, and for that I am very thankful and I am sure the mother of Jason Amini is thankful to our colleague, Mr. EDWARDS of Oklahoma.

Ladies and gentleman, I would like to have you meet Jason Amini of Sagle, ID and Nyleen Kay Marshall of Clancy, MT have much in common.

They are children, they are kidnaped and they are in danger.

Jason is 11 years old and was kidnaped by his father February 25, 1982. He was last seen at Los Angeles International Airport.

Nyleen, will be 7 years old this September. She was kidnaped from the Helena National Forest in June 1983.

Even though one child is the victim of kidnaping by a parent and the other by a stranger—statistics show that both are in as much danger of being physically and mentally harmed and abused.

Jason and Nyleen are not alone; 1,500,000 children are missing each year; 500,000 of these are victims of kidnaping by a parent. Some 20,000 to 100,000, are victims of kidnaping by a stranger.

Unbelievably, the number of kidnapers convicted in U.S. courts increased 57 percent from 1983 to 1984, but the percentage of those imprisoned actually decreased from 100 to 64 percent.

And the average sentence in 1984 was only 14 years.

That's why some of us in Congress are sponsoring House Resolutions 1318 and 2201.

H.R. 1318 would mandate a minimum 10-year sentence for adults who kidnap a child. It would also mandate life sentences for adults who kidnap and seriously abuse a child.

H.R. 2201 would make parental kidnaping a criminal rather than a civil offense and impose penalties for violators.

These bills are a beginning and the effort by Congressman EDWARDS is an admirable one. But these efforts are not enough without your help.

We must bring America's children—our children—home.

Please call 1-800-843-5678.

Mr. EDWARDS of Oklahoma. I thank the gentleman from Idaho for again participating, and would like to yield now to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, I want to thank my colleague, Mr. EDWARDS of Oklahoma, for his efforts on behalf of our Nation's missing children.

The issue of missing children is not a partisan issue, it is a national concern, shared by all of us, who deeply feel the loss of the 1.5 million children who annually disappear.

I am here in the well of the House today, to bring to the public's attention, a constituent of mine, Taj Narbonne of Leominster, MA, who is one of America's missing children.

This picture of Taj was taken, not long before he was reported missing on March 31, 1981. At the time, he was nearly 10 years old, weighed between 50 to 65 pounds, was 4 to 4½ feet tall, and had blonde hair and blue eyes. Taj was born on June 18, 1971, and would be nearly 14 years old today.

The National Center for missing and exploited children has asked that, anyone with information about Taj Narbonne, please call the hotline number 1-800-843-5678.

Mr. Speaker, I am very concerned not only about Taj, but about all our missing children.

Children are our Nation's most precious resource, and even if only one child is located through the effort being made, not only in the House, but in numerous other activities throughout the country, I believe these programs will have been a tremendous success.

Mr. EDWARDS of Oklahoma. I want to thank the gentleman from Massachusetts, and now I would like to yield to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I want to join with my other colleagues in extending my thanks and appreciation to my colleague from Oklahoma [Mr. EDWARDS] for what he has done to spotlight a very important issue in our Nation today, a tragedy which exists. The tragedy, of course, is the issue of missing children.

Missing children are a tragic fact of life for parents in neighborhoods across our Nation. It is a problem that demands attention from each citizen. 1.8 million children are reported missing for a period of time each year. 50,000 children disappear and remain missing every year.

Brian Bleyl, a young child from Phoenix, Arizona, has been missing since February 28, 1981. He was last seen collecting for his paper route in Phoenix. Brian was 12 years old at the time; He would now be 17. At the time he disappeared, Brian was 4 feet 11 inches tall and weighed 100 pounds He has brown hair, brown eyes and a fair complexion.

I am participating in this special order because I want to do everything possible to bring attention to Brian Bleyl's case, and the cases of thousands of other children like him. Incredibly, until just a few years ago, it was easier to find a stolen car than a missing child in this country.

Thankfully, the missing children's act, signed into law in October, 1982, authorized a permanent national clearinghouse for information and identification of missing children. That clearinghouse, the national center for missing and exploited children, has asked that anyone having information about Brian Bleyl or any other missing child call 1-800-843-5678.

□ 2100

Mr. EDWARDS of Oklahoma. I thank the gentleman. He has certainly distinguished himself as one of the outstanding new Members of this body.

Mr. Speaker, I now yield to the gentleman from Texas [Mr. LELAND].

Mr. LELAND. Mr. Speaker, I would like to thank the gentleman from Oklahoma for his compassion in this initiative in bringing the plight of missing children to our attention.

Each year between half a million and 2 million children are reported missing. This tragic statistic became very real to me last January when two of my young constituents disappeared.

The pictures at my sides are those of Michael and Pamela Mayfield who, according to the factsheet provided me by the Center for Missing and Exploited Children, were last seen walking home from school together on January 10, 1985.

At the time, Michael, age 6, had black hair and eyes, weighed 80 pounds and was 4 feet tall.

His 5-year-old sister Pamela, at the time, had black hair and eyes, weighed 50 pounds and was 2 feet 9 inches tall.

The National Center for Missing and Exploited Children asks that anyone with any information regarding the whereabouts of Michael and Pamela Mayfield contact the Center's hotline at 1-800-843-5678 or the Houston Police Department.

I am proud of the efforts my hometown of Houston has exercised in trying to locate these young children. Their photographs have appeared on milk cartons, metrobus billboards, and have been broadcast on KPRC, a Houston television station.

Yet, despite all these efforts Michael and Pamela Mayfield are still missing. I agreed to participate in this special order because I wanted to do everything possible to call attention to their case and to the national tragedy of missing children. Hopefully with efforts like this special order, some of these missing children will be found.

I urge my colleagues to publicize the National Center for Missing and Exploited Children's toll-free number so that their constituents with information regarding Michael and Pamela Mayfield, or any of the other children discussed here tonight, can contact the Center. The number is 1-800-843-5678. Thank you.

Mr. EDWARDS of Oklahoma. I thank the gentleman.

I now yield to the gentleman from Minnesota [Mr. PENNY].

(Mr. PENNY asked and was given permission to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, I have been informed by the federally-funded national center for missing and exploited children that one of my young constituents left her southeastern Minnesota home just over 1 year ago today and disappeared without a trace. I thank Mr. Edwards for the opportunity to help call attention to this case in the profound hope that she might be found.

According to the information provided me by the center, Cheryl Peters, age 16, of Rochester, MN, left her home on May 15, 1984, and was reportedly last seen in the Albert Lea, MN, area.

Cheryl Peters is 5'2" tall and weighs 105 pounds. Her brown hair is shoulder length and is parted in the middle. She has a very small, faint scar below her right eyebrow. She also has pierced ears that are now healed over. Cheryl always wears glasses because she is very nearsighted. She also has a wire retainer on her bottom teeth and a removable retainer on her upper teeth.

Mr. Speaker, the National Center for Missing and Exploited Children has asked that anyone having information about Cheryl Peters call this toll-free number: 1-800-843-5678.

Each year, an estimated 160,000 children are kidnaped by a stranger or a parent. As many as 50,000 of these children, like Cheryl Peters, remain missing after a year. As a parent myself, I can fully understand how terrible the loss of a child must be. We in Congress must do all we can to locate these missing children and bring an end to this national tragedy.

Thank you, Mr. Speaker.

Mr. EDWARDS of Oklahoma. I thank the gentleman.

Mr. Speaker, I now yield to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES. Mr. Speaker, I want to thank my colleague, the gentleman from Oklahoma [Mr. EDWARDS], for giving me the opportunity to participate in this special order where national attention is being focused on this very critical issue of missing children.

Mr. Speaker, I have been informed by the Chicago Police Department that one of my young constituents, Vinyette Teague, has been kidnaped. I am participating in this special order because I am one of 60 cosponsors of House Joint Resolution 281 designating May 25, 1985, as missing children's day and I want to do everything I can to help call attention to this case, in the hope that she might be found.

I now point to the photograph of Vinyette Teague.

According to a factsheet provided to me by the Chicago Police Department, Vinyette was 18 months old when she was last seen of June 25, 1983. She is a black female child with black hair, brown eyes, standing 2 feet 8 inches tall and weighing 27 pounds. When last seen, Vinyette was wearing a striped tank top, brown flowered pants, and no shoes.

Mr. Speaker, the Chicago Police Department and I ask that anyone having information about Vinyette Teague please call 1-800-843-5678.

● Mr. LEWIS of California. This month is a special month. In a recent White House Rose Garden ceremony President Reagan signed into law a resolution which I cosponsored with many of my colleagues on both sides of the aisle proclaiming May as National Child Safety Awareness Month. This commemorative month was set aside in an effort to bring nationwide attention to the problem of murdered,

exploited, and abused children. The high number of abducted children reported in this Nation is unexceptable. Sadly, many of these innocent children meet terrible fates. Unfortunately far too little information is available to law enforcement agencies to use in locating missing children.

The people of my district, the 35th District of California have not escaped such tragedy. Last October, a little girl who was then 3 was kidnaped from the Indian Cove Campground in my district at the Joshua Tree National Monument. On October 18, Laura Bradbury, and her family arrived at the campground in the late afternoon. Laura and her brother went to the restrooms about 50 yards away from their campsite. When her brother came out of the restroom Laura was gone. After a 3-day search, it became apparent that Laura had been kidnaped. She has brown eyes, sandy blond hair and was wearing a kelly green sweatshirt with a hood.

According to the California Center for Missing and Exploited Children, an estimated 40 percent of the recovered children are found as a result of media exposure. If you have any information or believe you have seen Laura Bradbury, please contact the San Bernardino County Sheriff's Department at (619) 366-3781. Thank you, and I would like to thank my colleague, Mr. Edwards for having this important special order.●

● Mr. MITCHELL. Mr. Speaker, I have been informed via the Baltimore City Police Department that one of my young constituents is missing. I am participating in this special order because I want to do everything I can to help call attention to the case, in the hope that she might be found.

Toya Hill, was reported missing on March 24, 1982. She was last seen playing near her home in Baltimore at 206 South Spring Court. Toya is a black female with brown eyes and black hair. She wears glasses and is 11 years old. At the time she was reported missing she was about 4 feet tall and weighed about 80 pounds. Anyone who has information pertaining to this case should contact the Baltimore City Police Department at (301) 396-2334 or 2050.

It is imperative that we all become involved in the problem of missing children which is a national epidemic. Each year there are 50,000 cases of child disappearances that remain unsolved at the end of the year. One million children are reported each year as runaways or throwaways and many become victims of crimes.

Many people do not realize the full scope of the problem of missing children. Children who fall into this category are those who are abducted by strangers, who are abducted by a family member or acquaintance, who run away, who are thrown out of their homes, and who are lost or who are victims of an accident and are unable to find help. Fortunately, people around the country are becoming involved in an effort to help alleviate the problem.

Organizations nationwide have sponsored child Safety Days in an effort to attract attention to the tragedy of missing children. A Child Safety Day provides parents with preventive information and with the materials they can provide to assist authorities should they ever have a missing child such as fingerprints, a current picture, height and weight measurements. These Child Safety Days are relatively easy to organize and are of enormous benefit. I encourage all communities to implement a child identification program as soon as possible. For further information you can contact, among other organizations, the Office of Juvenile Justice and Delinquency Prevention at the U.S. Department of Justice or your local police department.

Again, let me reiterate the importance of community awareness and action against the problem of missing children. With the implementation of nationwide child identification programs, missing children like Toya Hill can be found and others might never disappear.●

● Mr. NELSON of Florida. Mr. Speaker, every mother and father can understand how it feels to see their children after being apart even for short time. But tragically, many parents in our Nation live each day in uncertainty about the welfare and whereabouts of their sons and daughters. I am participating in this special order today because I want to assist these parents by bringing attention to the problem of missing children.

I have been informed by the National Center for Missing and Exploited Children that one of my young constituents in Florida had disappeared and is now listed as missing by the Center. According to information provided to me by the Missing Children Help Center, Tampa, FL, Keith Dean Fleming disappeared mysteriously while on his way home from a friend's house on April 29, 1977. He has not been seen or heard from since.

Keith was born on September 18, 1963, has blond hair and brown eyes. He is from Cocoa Beach, FL. The National Center for Missing and Exploited Children has asked that anyone having information about Keith or any of the children we have spoken about today, please call 1-800-843-5678.

I would like to add that special efforts are now underway in my homestate of Florida to help find missing children. The Adam Walsh Child Resource Center, located at 227 South Orlando Avenue, Winter Park, FL, (305) 629-1811, and the Missing Children Help Center, at 410 Ware Boulevard, Suite 400, Tampa, FL, (813) 623-KIDS, are excellent organizations designed to bring our sons and daughters home.

My colleagues and I are also sponsoring legislation to declare May 25 to be "Missing Children Day." Each year 1.8 million children disappear. We hope to draw public attention to this serious national problem with our participation today and a special emphasis on Saturday. I urge all Americans to join us in helping to locate these youngsters.●

Mr. EDWARDS of Oklahoma. I thank the gentleman for participating in this special order.

Mr. Speaker, I would like to call attention to two teenage girls who live in my district in Oklahoma City who were reported missing from the State Fair of Oklahoma in September 1981.

According to the National Center for Missing and Exploited Children, Cinda Leann Pallett, whose picture is over here, was 13 years old when she was last seen on September 26, 1981. At that time she was 5 feet tall, weighed 88 pounds, had dark brown eyes and dark brown shoulder-length hair.

This is Charlotte Kinsey. She, too, was 13 years old, when last seen with Cinda Pallett at the State Fair of Oklahoma. Miss Kinsey was 5 feet tall, weighed 95 to 100 pounds, with blue-gray eyes and blond shoulder-length hair.

The National Center for Missing and Exploited Children has asked that anyone who has information about their whereabouts please call their toll free hotline at 1-800-843-5678, and on the phone dial those numbers spell out 1-800-THE LOST.

□ 2110

Mr. Speaker, when I started this project last year, it was one of the few organized efforts to publicize missing children cases. I am pleased that since that time several innovative activities have been initiated by interested organizations and concerned individuals across the country. This includes printing the pictures of missing children on milk cartons; displaying their photos on movie screen theaters during intermission; printing their pictures on the back of toll road fares cards; publishing magazines featuring page after page of these pictures.

All of those people, all of these organizations which are doing so much to help locate these missing children, 160,000 a year of whom are kidnaped, deserve our thanks and appreciation. I would like to say one more thing, Mr. Speaker. On this floor, about an hour ago, Members of Congress of different political parties and different philosophies were engaged in some rather heated and strongly-felt exchanges of views about issues that are important

to this country, and yet, when it comes to an issue like this, when it comes to talking about our own children, the children of our friends and neighbors and other people in this country whose children have been kidnaped or run away or somehow disappeared from their homes, there are no party lines, there are no colors, there are no different philosophies. It is something we feel together very strongly.

I would like to thank all of my colleagues, as I said it is now nearly 50 in number, who have participated in these special orders. I look forward to continuing these efforts so that we can bring some of these children home safely again.

SOVIET JEWRY

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

MISSING CHILDREN

Mr. LUNGREN. Mr. Speaker, before I start my special order I would like to commend the gentleman from Oklahoma [Mr. EDWARDS] on the fine job he has done on a very difficult question.

On mother's day this year, just a little over a week ago, I attended a press conference in my home district in Huntington Beach, CA, at which the parents of Laura Bradbury, a young, 3-year-old girl who was kidnaped from Joshua Tree Monument, about 6 months ago, attended, and where we unveiled for the very first time rather large posters, 4 feet by 6 feet, that will be placed in bus kiosks or bus stops from Oceanside to Oxnard in California, 30 or 37 in number, on a rotating basis.

This was the first of hopefully a number of efforts that will be made by the people in the advertising fields with the cooperation of the bus companies to help in identifying many of the missing children that we find around this country. It was an obviously emotional experience for the Bradburys on a day as important and emotional as Mother's Day is in any event, to appear there on the first Mother's Day at which they will not be able to see Laura and to make a plea again to the public that anybody with information about Laura Bradbury contact the Laura Bradbury Organization or the National Clearing House, the numbers of which have already been given.

It is an issue that touches all of our lives, all of our families, and the reason why I think Members are involved on the national level is that even though the child taken may be from one State, in very short order that child can be placed in another State.

In fact, earlier this year a young boy about 13 or 14 years of age was found on the east coast after having been kidnaped 2 years before in my home town of Long Beach, CA. So it is a national issue that we need cooperation concerning from people at all levels.

In this regard, Mr. Speaker, I would try and bring to the attention of my colleagues and others that although we have passed legislation on the Federal level which assists in the pursuit of those who have taken our children, and assists in the identification and location and return of many of our missing children, that in some ways what we have done on the Federal level only offers an opportunity that must be followed up on the local level.

Specifically I would mention legislation that passed this House, passed the Senate and was signed by the President approximately 2 years ago, which allows the NCIC, the National Computer Bank that is established and maintained by the FBI, with information of all local jurisdictions, that is, their law enforcement agencies, State jurisdictions and the FBI itself, in which there is a national file of information of all types, including people who have been charged with crimes suspects all the way to stolen cars.

Unfortunately, prior to 2 years ago, there was very little information provided on missing children to that file. We made an alteration in the law which allows that information to go into the file. If a parent of a missing child wishes to get that information on that file, they first must contact their local authorities, and those local authorities then can place that name on the file.

After a passage of time, the parents, within a short period of time, can contact the FBI directly and find out whether that information has been inserted on the file, and if it has not, at that time they then have the right to have that information entered.

The reason we do this is because oftentimes with respect to missing children, it is the immediacy of the contact that is made with law enforcement in the immediate area that provides the best opportunity for the return of that child. We wanted to make sure that parents did not avoid that first contact.

What it does is place an obligation on local law enforcement agencies to follow through and then place that information on the file themselves.

I am unhappy to report, Mr. Speaker, that out of the 50 States in the Union, at present only 5 States require that local law enforcement immediately relay that information to the file and have it then on file. In some of our departments, they will not put that information on file until the child has been missing for at least 7 days. They do that because the largest number of children are found in a short period of time; many of them just running away from home for a short period of time. They say that there is difficulty in time and resources if we place those names on the file at the very beginning and then take them off within 24 hours.

That is a concern, but it is not a legitimate concern in my judgment when you have testimony from coroners across the country that children who are abducted and in many cases used for sexual purposes by their abductors, and are then killed, are generally killed within the 24 hours. Unfortunately, we not only have missing children, we have unidentified bodies of children that are in morgues across this country and in some cases are eventually buried without ever being properly identified.

So I would suggest that even though we have given the opportunity on the Federal level, that folks back home must follow through and ask their local law enforcement agencies, the mayors, the city councils of their towns to adopt a resolution to require that information to be placed on the NCIC immediately, and that State legislatures follow through on the progress that we have started and require that be done by their local law enforcement agencies.

Now, Mr. Speaker, I would like to speak on the subject of my special order, that is, on the question of Soviet Jewry.

□ 2120

GENERAL LEAVE

Mr. LUNGREN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of my special order today on Soviet Jewry.

The SPEAKER pro tempore (Mr. DYMALLY). Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LUNGREN. Now, Mr. Speaker, I will speak on the subject of my special order; that is, on the question of Soviet Jewry.

Mr. Speaker, this August marks the 10th anniversary of the signing of the Helsinki Final Act. Among other things, this international document, of which the Soviet Union is a signatory, calls for the right of Jewish cultural expression and emigration from the Soviet Union.

I rise today not only out of a sense of conviction, but of moral outrage. I rise because of the tragic cry heard throughout the world emanating from the mouths of Soviet Jews who ask nothing more from the Soviet Government than the basic rights guaranteed to them through the Helsinki accords.

The Universal Declaration of Human Rights, The International Covenant on Civil and Political

Rights, and the Helsinki Final Act, all provide for the right of any citizen, to leave any country, including his own.

Mr. Speaker, by observing the present state of affairs, you would never know that the Soviet Union is a party to all of these international agreements. Nonetheless, they are signatories and are, therefore, in gross and blantant violation of international law.

These statistics of Jewish emigration from 1979-84 reveal what can only be termed a crisis situation—a situation in which never before in the history of the Soviet Jewry movement has the emigration rate been so low.

From a high in 1979 of 51,320, emigration has plummeted to an all-time low of 896 Soviet Jews last year. Furthermore, the 1985 figures, so far, are also extremely disquieting.

I would suggest, Mr. Speaker, that anybody who reviews this chart and looks at these figures recognizes that this cannot be an aberration, but it appears to be a carefully designed plan by the leaders of the Soviet Union. I think it is fair to say that these numbers are proof that Jews have resumed their historical role in the Soviet Union as the government's favorite punching bags.

Soviet officials justify this drastic reduction in emigration by claiming that all Soviet Jews who wish to leave the U.S.S.R. have already done so. They maintain that the reunification of families has been completed, thus signalling their desire to put a stop to what little emigration there is. This Soviet assertion is evidenced by a Radio Moscow broadcast in late 1982 when that broadcast stated, and I quote,

Nearly all those applying for permission, or approximately 98.4%, have left or leave very soon,

Of course, Mr. Speaker, this is a bold-faced and preposterous lie. There are at least ten thousand Soviet Jews actively seeking emigration, and not less than 250 Jewish families who have waited a decade or more for exit visas. Sadly, there runs a deep current of despair among these people—for they firmly believe that there is no future for them on Soviet soil.

Reunification of families has also been hindered lately by an increase in administrative obstacles; 1979-80 appears to have been the turning point in Soviet emigration policy.

To apply for exit permission, one must submit to the local Office of Visa and Registration a variety of documents, including an invitation from "first degree" relatives in Israel. A Soviet Jew might request several invitations before actually receiving one, since authorities often intercept them in the mail. Furthermore, each individual applicant must pay a fee of 40 rubles, which is approximately 1 week's average salary, for every single family member seeking to emigrate. When an application is then approved, each family member must pay an additional 500 rubles, about 3 months income, for the "right," so-called to give up Soviet citizenship, and then 270 rubles for the exit visa.

Thus, the financial burdens of emigration alone cause great hardships. All resources must be pooled, and personal possessions are often sold at depressed values to meet these demands. In addition, there is evidence that bribes must often be paid to minor officials at every step along this tortuous process.

Finally, increasing numbers of applicants have been denied visas on the basis that, because they have been exposed to State secrets, they are a security risk. Other visa requests have been turned down because an applicant has more relatives in the U.S.S.R. than abroad, prompting officials to maintain that emigration would divide rather than reunite the family. Some applicants reportedly receive no reason at all for the denial of their visa requests.

Aside from these very harsh restrictions, the Soviet Government has constantly relied on various forms of harassment to applicants and their families. In direct violation of the Helsinki accords, Soviet authorities make life miserable for visa applicants through repression that takes place in ways such as:

The loss of employment. As soon as their desire to emigrate becomes known, they run the risk of either a reduced status or a total loss of work. This loss of employment makes it nearly impossible to find other work, thereby, forcing many "refuseniks" to accept any employment they can get. Thus, qualified teachers, scientists, and engineers are now working as street sweepers and lift operators.

Another form of harassment includes expulsion from a university or other institution of higher learning. To make matters worse, those students expelled from universities lose their exemption from military service and face the threat of immediate conscription by a government that has treated them in this fashion.

Deprivation of academic standing is yet another form of torment. A number of educators have been stripped of their degrees and/or excluded from academic associations. This professional harassment cannot be seen as anything but an act of psychological warfare on the part of the Soviet Government with the intent of deterring further emigration applicants.

Still another act of contempt against hopeful emigrants is the practice of overt violence and physical attacks. The case last year of Yakov Mesh is a striking one, though by no means isolated. Mesh was beaten up by KGB-men in civilian clothes in the presence of a number of people. A statement signed by nine witnesses asserted that Mesh had not offered any resistance—although he was then charged with resisting authorities—and that there had been no apparent cause for the attack on him. Mesh has been awaiting permission to emigrate for 7 years.

Mr. Speaker, perhaps the cruelest form of harassment against Jews seeking emigration is the persecution leveled against their children. In T.V. broadcasts, on the radio, in the press, and during lessons at school, more attention is devoted to Israel than to any other country, even the United States. They instill into the children that Israel is a synonym for inhumanity and cruelty and that Zionism is a form of fascism. With some children this leads to constant conflicts with their peers in playgrounds and in school. These same children are also made objects of teacher-encouraged ridicule. Whatever the case, these children are placed in a situation of constant stress which runs through their entire childhood and often leaves deep scars in their psyche.

I would like, at this time, to tell my colleagues of a case that exemplifies just this kind of persecution. This involves a Jewish refusenik named Ari Volvovsky with whom I have exchanged letters over the past 2 years. In 1974, Mr. Volvovsky was a senior engineer and researcher for an oil and gas company in Moscow. As is the case of many Jews who apply for emigration, Mr. Volvovsky was dismissed from his position. For the past 11 years, he has been unable to secure employment in his own field and has therefore been forced to work at a variety of odd jobs. Unfortunately, that was only the beginning.

In September 1979, his apartment was broken into by the KGB. Over 500 books on Jewish history and culture were confiscated. In addition, eviction papers were served by the landlord notifying him to vacate the apartment. After bringing his case to civil court, the Soviet authorities ordered him, within 72 hours, to relocate to the closed city of Gorky.

In the spring of 1980, while vactioning in Kishinev, Volvovsky was arrested for alleged vagrancy. He was subsequently detained for 30 days and threatened with trial and imprisonment.

In other words, Mr. Speaker, the government authorities, because someone merely exercises his right as promised under the Soviet Constitution and the Helsinki accords to participate in his Jewish heritage and his Jewish religion, suffers consequences in terms of his job situation, and then once he finds difficulty on obtaining any type of meaningful job, he then becomes subject to the laws of vagran-

cy, or the allegation that he has violated the laws of vagrancy in the Soviet Union.

□ 2130

On June 2, 1983, 10 KGB thugs came to Mr. Volvovsky's apartment and conducted a 7-hour search in the hopes of findings anti-Soviet literature. What they found were some 200 volumes related to Jewish culture and religion. Again, Mr. Speaker, his books were confiscated.

The tremendous strain of the past few years have been extremely difficult of the Volvovsky's 16-year-old daughter, Kira. Because of her family's refusenik status, she has been subjected to a considerable amount of harassment. In one letter, Mr. Volvovsky expressed to me his concern for Kira this way:

For a child in our situation, this is very hard * * * I am worried about her. I do so want her to grow up in Israel, but fate seems to decree otherwise * * * My prayer is that things will not change for the worse.

We ask the Soviet Government: Why this persecution? Why this harassment? Why this incitement to hatred? Is it because Ari Volvovsky and his family wish to emigrate to Israel, their beloved homeland? Is it because Mr. Volvovsky wishes to speak and read the forbidden Hebrew language? Is it because he wishes to study Jewish history and culture? But we wonder, Mr. Speaker, if possibly there could be another reason.

Mr. Speaker, the Helsinki process, to which the Soviets claim to be attached, is based on the desire to promote better and closer relations among peoples. Nothing undermines more this process than vicious allegations against Jews as evidenced by the Soviet anti-Semitic propaganda campaign.

Untamed and, yes, even state-sanctioned, the venom of anti-Semitism runs rampant through Soviet society today. What is striking about the Kremlin's perception of Zionism, as reflected in this Soviet propaganda campagin, is the enormity of the power and evil with which it is endowed. Elliott Abrams, former Assistant Secretary for Human Rights and Humanitarian Affairs in the United States, maintains that Soviet propagandists have equated Zionism with every conceivable evil, including racism, imperialism, espionage, terrorism, crime, murder, and even Nazism. What an absurdity—Soviet authorities asserting that Jews, in collaboration with Nazi Germany, were to blame for the Holocaust.

This campaign of virulent anti-Semitism has taken on alarming proportions as evidenced by the hostile stories in the Soviet press. To give my colleagues an idea of the nature and scope of this anti-Semitic campaign, I would like to read a couple of quotes that have appeared in the Soviet press. The first is a brief excerpt from an article from a 1980 issue of a weekly magazine for children, aged 9 to 14, belonging to the Soviet youth organization, Pioneers:

Most of the large monopolies in the manufacture of arms are controlled by Jewish bankers. Business made on blood brings them enormous profits. Bombs and missiles explode in Lebanon—the bankers are making money. Thugs in Afghanistan torment schoolchildren with gases—the bundles of dollars are multiplying in the safes of the Guggenheims. It is clear that Zionism's principal enemy is peace on earth.

Furthermore, the official youth newspaper in the Soviet Union declared in March 1983 that the meaning of Zionism is "to turn every Jew, no matter where he lives, into an agent of the Jewish oligarchy, into a traitor to the country where he was born."

This same paper also contends that the human rights organization Amnesty International is "under the thumb of the Tel Aviv hawks." "Can you struggle for someone else's conscience if your own has been bought by the Zionists?" The paper asked.

Last, Professor Nikolay Yakovlev, a Soviet historian and author of several anti-Semitic books, has depicted Elena Bonner, the wife of Dr. Andrei Sakharov, as an agent of the CIA's "Jewish Section." Yakovlev contends, moreover, that Bonner has taken control of Sakharov's finances and has exploited her "pathetic" husband for the sinister purpose of "international Zionism."

Mr. Speaker, let us turn briefly to an overall consideration of the issue of Jewish culture and religion in the U.S.S.R.

As is well known, Jews are recognized as one of the over 100 nationalities of the Soviet Union. In fact, they are a major one, ranking 16th in size. Yet the identifications with one's cultural heritage is perceived by the Kremlin as a direct threat to the Soviet Government. Let us simply consider the following facts:

There is no teaching of a Jewish language, history or culture at school or university level;

There are no Jewish communal or social organizations in the U.S.S.R.;

Not a single Jewish periodical is permitted in the Russian language which is spoken by over 97 percent of the Soviet Jews;

As a token gesture, there is one Yiddish newspaper. This is published by the Government, however, in a corrupted, or deliberately Russified, Yiddish;

There are no libraries with a special Jewish book section;

There is only one Jewish museum devoted to Jewish history culture or folklore.

As repressive as are Soviet policies toward Jewish cultural expression, the situation for Jews with respect to their religion is even worse.

Freedom of religion, in the words of the Helsinki accords, means freedom of the individual to practice a religion in accordance with the dictates of his own conscience. Tragically, Mr. Speaker, for Jews as well as many others in the Soviet Union, this freedom exists only in words.

There are no seminaries in the U.S.S.R. to train rabbis, and to pursue a career as a religious leader in the Soviet Union could mean a lifetime of persecution. There is a severe shortage of prayer books and Jewish calendars, Jewish religious objects cannot be manufactured in the U.S.S.R. nor can they generally be imported. In addition, there is a shortage of burial space for religious Jews in the Soviet Union; the situation is particularly critical in Moscow. The Jewish religion remains the only recognized denomination which is not permitted to maintain or retain regular links with co-religionists outside the U.S.S.R.

Ironically, the 1936 Soviet Constitution only recognized the right to religious worship, whereas the 1977 Soviet Constitution guarantees that right. In practice, however, nothing has changed or it has changed for the worst. There have been numerous cases where private gatherings for religious purposes have been disrupted by police and their participants subjected to threats and terms of imprisonment.

Mr. Speaker, I feel it is important to mention another problem specific to the Jewish religion—the suppression of the Hebrew language, preventing Jews from learning that language is the most blatant violation of their religious freedom because it prevents them from understanding their prayers, the Scripture, their religious laws and their entire religious heritage.

The language of the Old Testament and of the State of Israel, Hebrew, has historically been the common property of Jews everywhere. It is an integral part not only of Jewish liturgy and sacred texts, but also of secular Jewish culture. Yet it has been rendered virtually inaccessible to Soviet Jews through an unpublicized ban.

With the exception of the limited edition of a Russian-Hebrew dictionary which appeared in 1963, no books of any kind in Hebrew have been published in the U.S.S.R. in over 50 years. There are no Hebrew newspapers or periodicals, nor is there a Hebrew school. Just as ominous is the increased harassment to which Hebrew teachers are subject. This repression can rightly be termed a "Jewish Cultural Genocide" as almost all attempts at Jewish self-education and holiday celebration have been prohibited.

Mr. Speaker, Soviet policy as a whole amounts to a type of spiritual strangulation through the obvious

deprivation of the Soviet Jews' natural right to know the Jewish past and to participate in the Jewish present. Truly, without one's past and one's present, the future is precarious indeed.

Unfortunately, there are no easy solutions to any of the problems which I have discussed. What we can do, however, is to make clear to the Soviet Government what our own approach is and how it is related in our eyes to the United States-Soviet relationship as a whole. As Secretary of State George Shultz stated last October: "We can never let ourselves become so wedded to improving our relations with the Soviets that we turn a blind eye to actions that undermine the very foundation of stable relations."

Many of us in this body view 1985 and beyond as a critical period for Soviet Jews. We must ask ourselves whether the new Soviet leader is prepared to open the gates, even a fraction, to halt the campaign of state-sponsored intim-idation of Jews who wish to live as Jews, to study Hebrew, to rejoin the Jewish people in Israel and elsewhere.

Perhaps it is too early to predict what effect Mikhail Gorbachev's rise to leadership will have on the 2½ million Soviet Jews.

I for one think that we have swung from optimism to pessimism too often as we have had a change in leadership in the Soviet Union in the past number of years.

□ 2140

So perhaps we can only be hopeful, cautiously hopeful, that this recent Kremlin transition will result in a renewed opportunity to opening those gates once again. Perhaps that is asking too much or hoping too much, but Mr. Speaker, we must hope.

It is particularly at a time like this that our voice of support, I think, is needed.

As Members of Congress, we should be in regular and direct contact with Soviet officials, both in Washington and in Moscow, to raise the Soviet Jewry issue, along with others, and remind the Soviets of their international obligations under the Helsinki Final Act and the Universal Declaration on Human Rigths. We must continue, moreover, to combine criticism with explanations of how, why, and in what ways Soviet human rights violations threaten peace, the building of trust, and our national security. To be sure, we simply cannot accept the status quo of repression.

Furthermore, congressional advocacy on behalf of Soviet Jews in the form of letters, resolutions and verbal support, must be maintained if we are to transform this current somber reality. We must also continue to encourage the ever-growing private network in America and abroad to carry the human rights struggle ever forward.

Mr. Speaker, since the Declaration of Human Rights in the Soviet Union is not likely to wither away, the burden continues to remain with us. In that respect, I would like to close my prepared remarks with a quotation from one of our Founding Fathers, Thomas Jefferson, who wrote: "Those who expect to reap the blessings of freedom must undergo the fatigues of supporting it."

There is no doubt in my mind, Mr. Speaker, and I assure all of my colleagues, that there is no place on the face of the Earth that reaps the blessings of freedoms more actively, more consistently, more abundantly, than those of us who live here in the United States. In that regard, I would suggest that therefore we have a particular obligation, as Thomas Jefferson said, to undergo the fatigues of supporting the blessings of freedom.

We must speak out, oftentime our words are not heard, but if we do not speak out, we know they never will be heard.

I would like to say, Mr. Speaker, that a number of our colleagues have asked to join me this evening. Because of the lateness of the hour, a number of them have entered their remarks in the RECORD and they will then, of course, appear at the same time as my remarks.

Mr. Speaker, I yield at this time to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I simply want to commend the gentleman from California on an extraordinarily well documented statement on the problem of Jews in the Soviet Union. It is a kind of catch-22 situation where a youngster in a university applies for emigration, gets bounced from the univesity, gets drafted in the Army and then is told he cannot emigrate because he has been exposed to military secrets, is I am afraid all too often what we have seen in the Soviet Union.

I think it is important at this time when we are negotiating in Geneva with the Soviet Union that this record be made as the gentleman has made it regarding the violations that the Soviet Union has caused to occur with respect to the Helsinki agreements and all the problems that the gentleman from California has documented, as I think it is important and I know the administration feels this way also that our negotiators at Geneva make it clear to the Soviet Union that that noncompliance with past agreements with the United States obviously raises difficulties with respect to future agreements between our two countries, because if we cannot rely on them performing the agreements we already have, how can we rely on their performing future agreements?

So I think the gentleman from California has performed a very important service this evening in presenting this extraordinarily well documented address on the problems of the Jews and of Soviet noncompliance with their agreements and I commend him for it.

Mr. LUNGREN. Mr. Speaker, I thank the gentleman for his remarks.

With regard to the question of current negotiations going on, it is instructive to note that Mr. Kampelman, Max Kampelman, is the head of the overall negotiations, the umbrella negotiations, and he, of course, has had experience in dealing with the Soviets and others on the question of compliance with the Helsinki accords. He is a tough-minded, very intelligent individual, who I think will utilize every opportunity in a judicious manner to remind the Soviets of their lack of compliance with the Helsinki accords, as he does in fact lead our negotiating team.

Before I yield back the balance of my time, Mr. Speaker, I just would like to make reference to this chart once again. I do not think anybody can argue, nor do I think anybody does argue, on the Republican side or the Democratic side, that this diminution in the flow, allowed flow of Soviet Jews, is in response to any actions by the United States, by a Republican President, by a Democratic President. This is the result of a specific decision, a systematic plan made by the Soviet leadership, even with their change in leadership over the past years, for whatever purpose they have determined.

We ought not to divide ourselves in saying that it might have been in response to something one President or another President did. It is obvious that the Soviets are doing this in a way to punish Soviet Jews, in a way to make a point, in a way to further underscore the official anti-Semitism that is part and parcel of the Soviet leadership control of the Soviet Union at the present time, and that all of us, Jew and Christian and nonbeliever alike, Republican, Democrat, conservative or liberal, will not allow those types of arguments to deflect our attention on a problem that remains.

We know we do not control the Soviet Union. We know the leadership of the Soviet Union do not view us as their constituency; yet we do also know that the glare of the public spotlight is something that in the past has had an influence on the leadership of the Soviet Union; so it is something that we must do. It is a burden that we must share to continue to point out these problems as they exist and the fact that it is official government policy of the Soviet Union. It is not a happenstance.

Mr. GREEN. Mr. Speaker, will the gentleman yield further?

Mr. LUNGREN. I would be happy to yield.

Mr. GREEN. I would certainly agree with the gentleman on that. It is hard to know why one dissident, while 896 were allowed to leave, while others remain in Moscow, others are sent to some form of internal exile, others are actually prosecuted and sent to prison.

But the one thing I have heard from every Soviet dissident, Jewish or non-Jewish alike, who has gotten out of the Soviet Union ultimately is that it is absolutely essential that we keep up the kind of effort that the gentleman has sponsored this evening, that that is their only hope, that word of these efforts do get back to the Soviet Union and keep their spirits up and that in the end they know that they got out, even that small trickle, only because people like the gentleman from California kept up this effort, and I again commend him for it.

Mr. LUNGREN. Mr. Speaker, I thank the gentleman from New York.

● Mr. KEMP. Mr. Speaker—

I learned the perils of language and those of silence. I learned that in extreme situations when human lives are at stake, neutrality is a sin.

These words were spoken at the White House by my good friend, Elie Wiesel, when he accepted the Congressional Medal of Honor from President Reagan last month. Elie was referring to the lesson of the Holocaust and his words ring true. If we remain silent in the face of injustice, then we are as quilty of a sin. "Indifference to evil is evil," said Wiesel and he's right. This is why I join my good friend and colleague from California, DAN LUNGREN, in his special order on Soviet Jewry, and why I am always willing to speak out on behalf of Soviet Jews and oppressed people everywhere. Today is especially appropriate because it is Andrei Sakharov's 64th birthday and his 5 years in internal exile and I thank Mr. LUNGREN for his leadership. Elie went on to say that "suffering confers no privileges. It all depends what one does with it. And this is why survivors have tried to teach their contemporaries how to build on ruins, how to invent hope in a world that offers none, how to proclaim faith in a generation that has seen it shamed and mutilated." Without people in the free world speaking out on their behalf, Soviet Jews would have no hope and would be as bereft as the victims of the Holocaust. We must learn from the lesson of the Holocaust and act to prevent a repeat of the policies of appeasement that led to the gas chambers and lead to the Gulag. We must listen and learn from the Elie Wiesels and the Avital Shcharanskys and the Alexei Semyonovs who have lived through such experiences and chosen to share their knowledge to help those who have been left behind.

Andrei Sakharov is an example of human courage. A highly regarded scientist and member of the privileged class in the Soviet Union, he risked everything because he could no longer stay silent on the subject of human rights. His reward—he was stripped of his rights, denied access to a place to continue his scientific work, and sentenced to internal exile. He is honored here in the United States and around the world. In the Soviet Union he is sentenced to exile and his wife Yelena Bonner to humiliation. We are the hope of the oppressed. Even now, we have representatives meeting in Ottawa with representatives from the Soviet Union and the 33 other countries who participated in the Helsinki Accords to discuss the issue of human rights. We must keep the lines of communication open. We must continue to give Jews in the Soviet Union and Christians the hope that the Jews in Germany did not have, the faith that a whole generation did not see. Sakharov is a living example of what America means to the world.●

● Mr. GILMAN. Mr. Speaker, I rise to thank our colleague from California, Mr. LUNGREN, for taking this special order out today. As we well know, the important issue of Soviet Jewry has remained a serious and constant concern of many Members of the House.

Just last month it was announced that 166 men and women had been given emigration vizovs from the Soviet Union. Many thought that this might signal an upswing in emigration figures, since last month's total was the highest to date this year. Unfortunately, however, only 11 have been given notice of their impending departure during the first half of this month. This grave news is yet another indication that the Soviet Government has not yet eased up on its harsh emigration policies. Earlier this month I was heartened by a majority of our colleagues in this body joining me in sponsoring a measure expressing House support for Solidarity Sunday for Soviet Jewry. This event, held on May 5 at Dag Hammarskjold Plaza in New York City, opposite the United Nations, attracted over 250,000 people this years. Such support is a marked indication of the grave concern with which the people of the United States view Soviet human rights practices. It is important to note that in past years, upwards of 100,000 individuals has attended Solidarity Sunday. For 2½ times that number to be present this year is indeed a demonstration that the Soviet authorities must take into consideration.

Yet throughout our appeals and meetings, demonstrations and legislation, arrest and harrassment of ordinary Jewish citizens in the Soviet Union continues. Men and women are arrested on fabricated charges. They languish in prison or labor camps for years on end. Their struggle has become our struggle. We must not forsake them in the name of expediency.●

● Mr. ERDREICH. Mr. Speaker, the number of repressive measures taken against Jews in the Soviet Union has reached epidemic proportions. The authorities' crackdown on Jews has steadily increased in past years despite recent changes in leadership. This pattern of continuous persecution is indicative of the Soviet policy toward Jews which is that of state-sponsored anti-Semitism. Mr. Speaker, I ask how can a nation that professes equality for its people engage in such wholesale discrimination?

Indeed, the repression that Soviet Jews are facing is neither arbitrary nor of limited scope; on the contrary, it is carried out with the utmost vigor, and affects every aspect of their lives. From housing discrimination to denial of the right to fair trail, the Soviet Union is making a concerted effort to wipe out its Jewish population.

One of the greatest obstacles currently confronting Soviet Jewry is the repressive emigration policy practiced by the Soviet Government. I feel that this policy is inherently hypocritical. Jewish citizens are forced to endure countless injustices on a daily basis in what is ostensibly an attempt to eliminate Jewish religious practices in the Soviet Union. Yet those who seek to leave the country are denied that basic freedom. The authorities have consistently reduced the amount of Jewish emigration from a steady flow to little more than a feeble tricle. The number of exit visas granted has declined from 21,471 in 1980 to 897 in 1984.

This governmental action is abominable. I urge not only this body, but the rest of the free world to condemn Soviet emigration policies. As the predicament of Soviet Jews grows steadily worse, it becomes clear that little can be done to combat domestic repression. Only through more open emigration can we alleviate the plight of Jews and others whose basic freedoms are routinely denied in the Soviet Union.

The denials and inflammatory anti-Semitic rhetoric that emanate from the Kremlin lead us to recognize the difficulty of such a task. However, the necessity for pressure is immediate. The Soviets have embarked on a program to dissuade potential applicants for visas by resorting to restrictive and often brutal totalitarian tactics. Harrassment of applicants, their families, and families of those who have already emigrated, has included the loss of jobs, conscription into the armed forces, and expulsion from universities and other educational institutions. By putting pressure on the Soviet authorities, we encourage the citizenry not to succumb to such measures. Fur-

thermore, we place the Government in an embarrassing spotlight which it is eager to avoid. The special order presented today by Mr. LUNGREN is an example of what needs to be done. Repression against Jews and those of other faiths in the Soviet Union is, Mr. Speaker, untenable, and we must do our utmost to protest its existence.●

● Mr. KRAMER. Mr. Speaker, I wish to thank the gentleman from California, Representative DAN LUNGREN, for organizing this special order to express our concern about the treatment of the Jewish people at the hands of the Communist government of the Soviet Union. It is an honor to declare my solidarity with the Jewish people living in the Soviet Union, and I ask my colleagues and all Americans to lend their voices and prayers to the cause of their freedom.

Humane people all over the world, but especially in our country with its grand tradition of freedom of religion and speech, justly regard with horror the practices of the Soviet Union, which has systematically acted to persecute Soviet Jewry. Increasingly, Soviet Jews have been refused permission to emigrate even while they face ever mounting harassment and persecution at home and in their schools. Today, nearly 400,000 individuals who have requested permission to emigrate continue to lanquish in the Soviet Union because their exit permits have been denied. Officialy sanctioned anti-Semitism, echoed in the state-controlled press, affects the entire Jewish community there which numbers some 2 million, the third largest in the world. Anti-Semitism in the Soviet Union prevents the education of new religious leaders as well as assembly for worship. We in Congress must stand together in condemnation of the communist refusal to abide by the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the Helsinki Final Act, all of which the Soviet Union signed.

Brave prisoners of conscience live in fear of reprisals, imprisonment, harassment, loss of employment, and even the revocation of academic degrees. Yet, the refusniks of the Soviet Jewish community continue to remain steadfast in their insistence on just treatment and free expression of religious faith, as well as the right to emigrate. We take note on the example set by the Abraham Stolar family, which has refused to leave the Soviet Union, although three members now have exit permits, so long as their daughter-in-law, Julia, is not permitted to emigrate.

We need not go as far as the Soviet Union to see the tragic results of Soviet policy. In Nicaragua, for example, we note that the policy of that client state echoes the example set by the Soviet Union. The entire Jewish population of Nicaragua now lives in exile after having a synagogue burned and homes and businesses expropriated. Furthermore, we now see that terrorist groups such as the Palestine Liberation Organization find sanctuary in the arms of the Sandinistas.

We ask the Soviet Union how much longer will it insist on denying basic freedoms to the Jewish people living within its borders. We stand as witnesses to the inhumane treatment of that people by its Communist government. As witnesses, we must act and not turn away from their struggle. Imbued with the belief that certain rights are inalienable, this struggle becomes our own.●

● Mr. DWYER of New Jersey. Mr. Speaker, I wish to thank my colleague, Congressman LUNGREN for calling my attention to this special order on the issue of Soviet Jewry. As leaders in the free world, we must demand total compliance with the Helsinki accords and actively promote those ideals on which the agreement is based.

Let us keep alive the ideals and values of our Founding Fathers which laid the foundation of our own form of government. These principles have made the United States the world standard of liberty and justice for over 200 years. In light of this, it is our moral obligation to continue to advocate the cause of freedom worldwide.

The realization that such oppression does indeed exist is gripping. Still, it serves by contrast to illustrate how fortunate we are to live in this great Nation. Once again, I think it only fitting to mention the name of my prisoner of conscience. Grigory Rozenshtein and his wife Natalia, are two of the leading Soviet Jewish activists in Moscow. Their daily struggle to make ends meet coupled with their lifelong desire for freedom has inspired all who live in the free world.

As a nation dedicated to the principles of independence and the protection of human rights, the refusenick community looks to us for direction. We shall always share with them the hope that the claims of political and cultural bondage will some day be broken and the claims of freedoms we cherish will be realized.

I join my colleagues today in expressing hope and concern for those around the world who do not control their own destiny. I commend my colleague, Congressman LUNGREN, today for reminding us that we who are blessed with freedom must remember the unfortunate ones left behind in totalitarian countries.●

● Mr. BOULTER. Mr. Speaker, the Jewish holy day of Passover, which was recently celebrated, commemorates the escape of the Jews from the religious persecution in the land of Egypt. Religious denial was one aspect of the persecution; human decency and respect were also violated by the forced enslavement of the Jews. The basic human right to freely express and practice one's religion denied to the Jews in Egypt is also being denied to the Jews in the Soviet Union today.

The situation in the Soviet Union is frighteningly similiar to the situation in Nazi Germany during the 1930's and early 1940's. Flagrant abuses of Jews range from lengthy and unprovoked apartment searches, job dismissal with no relevant explanations, prohibition of Hebrew or any religious teaching, and most of all, the denial of exit visas to the thousands upon thousands of Jews who seek to leave the oppressive Soviet Union. My fellow colleagues, this is not a Jewish issue, but rather, a moral outrage which must be addressed by the Congress of the United States.

Moses said to Pharoah when he was asking for the release of the enslaved Jews, "Let my people go.". I ask the same of Mr. Gorbachev: let the Soviet Jews go.●

● Mr. BROWN of California. Mr. Speaker, I want to thank my colleague Mr. LUNGREN for reserving this 1-hour special order regarding Soviet Jewry. There are continued reports that harassment of Soviet Jews, both official and unofficial, has increased. The chances for Jews and other minorities to flee this persecution remain miserably small. Jews, especially, have seen new terror visited upon their places of worship, their homes, and their families. Officially sanctioned anti-Semitism has reached new, alarming proportions.

We have received reports that anti-Semitism is increasing inside the Soviet Union. For the almost 1.8 million Jews remaining, this presents a horrible dilemma. Hebrew schools are being raided and shut down, materials are being confiscated, and new charges are being utilized to detain and imprison innocent people. The public Anti-Zionist Committee has stepped up its campaign to denounce everything Jewish, and individual Jewish refuseniks have been labelled as "dangerous Zionists." New pretexts for house searches and for the forcible dispersion of Jewish groups are constantly being invented. The anti-Jewish campaign in the Soviet Union today appears as bad as, if not worse than, the horrible cruelty and repression of the Stalin era.

Mr. Speaker, in our land of freedom and opportunity, it is all too easy to take for granted the unrestricted expression of ideas and the unrestrained ability to worship exactly how, when, and where we choose. What we consider basic, undeniable rights are, for many around the world, just fleeting images of a frustrated dream. The Soviet Jewish struggle to continue centuries-old traditions and to maintain a system of beliefs and worship is a

prime example. Yet, in the face of scare tactics by the KGB and an unabating public campaign to incite the citizenry against Jews and Jewish institutions, Soviet Jews have tenaciously and courageously clung to their faith, worshiping often at grave personal risk.

The frustration of Soviet Jews is compounded by their inability to escape from this oppression. From 1948 to 1968, 6,934 Jews left the U.S.S.R.; from September 1968 to 1981, the total jumped to 259,619. But, since 1981, less than 5,000 Jews have emigrated! Hundreds of thousands more Jews have begun the emigration process, making it difficult to believe the Soviet Government's assertion that "all Jews who wanted to leave the Soviet Union have already done so." With the change of leaders this winter, there was great hope that this repressive policy would change. However, emigration figures for this year reflect the continuing effort by the Soviet Government to restrict the departure of Jews to Israel. In January, only 51 Jews were allowed to leave; February saw 88 departures; in March, 97 Jews left; and in April, the number was up to 166. This slight upward trend for April is a step in the right direction. However, the increasing numbers reflect the departure of large groups of Muscovite Jews, many of whom had been waiting for a very long time, and the government has clamped down on emigration from other parts of the country.

Mr. Speaker, we meet today in Congress to express our concern about the plight of Soviet Jews, and we will continue to do so until all Soviet Jews who desire to emigrate have been given that opportunity. From dozens of joint and concurrent resolutions, letters to Soviet and American officials, and special events like "Solidarity Sunday for Soviet Jewry" and a prayer vigil held here in March, I have joined my colleagues in urging that Soviet Jews be given the freedom to leave if they so choose, or to stay and worship unharassed and unrestricted. Additionally, my distinguished colleague Mr. LEVIN is leading the "Call to Conscience," a weekly insertion of statements into the RECORD from those of us who have adopted an individual or family in the Soviet Union. My adoptee, Mark Nashpitz, remains, like so many others, frustrated in his efforts to obtain permission to leave.

The combination of a virulent anti-Semitic campaign and the almost complete choking-off of Jewish emigration is destroying whatever is left of Jewish culture and Jewish life in the Soviet Union. As Americans who proudly protect the rights to freedom of religion, we must strive to persuade the new regime of the senselessness and cruelty of this policy. Our voices must speak for those that are muffled by repression. It is my fervent hope that, with continued pressure and effort, Soviet leaders will reevaluate these policies and end their inhumane treatment of Soviet Jews and all religious minorities.●

● Ms. MIKULSKI. Mr. Speaker, I rise today to call for an end to the oppression of Soviet Jews. Not since Stalin's time has discrimination and repression against Jews in the U.S.S.R. been greater nor emigration levels more restricted.

The plight of the Soviet Jews is a human rights issue. Refuseniks are prisoners of conscience within the country, victims of persecution and religious intolerance. Jewish heritage within the Soviet Union is endangered by government-led attacks on Hebrew education and traditional religious training. The Soviet Union is engaged in an active campaign to wipe out Jewish life. As we support and defend our ally Israel, so must we fight for the rights of Jews everywhere to live as Jews, and to emigrate to Israel if they so desire.

It is because of my deep commitment to fighting against the oppression of Soviet Jews that I will be going to the Soviet Union in July. I will be in Moscow and Leningrad to meet with refuseniks and Soviet officials. For years I have been writing letters and speaking out on this issue. It is my sincere hope that by actually going to the Soviet Union I can be a more effective advocate on behalf of thousands of refuseniks.

Mr. Speaker, all of us in Congress represent constituents who are fighting for the right of friends and family to live as Jews in the Soviet Union or to emigrate. In solidarity with them, and because we believe in human rights and religious freedom, we must all join forces in behalf of Soviet Jews.

This human rights issue is of paramount concern. As I and other American representatives meet with Soviet officials to talk about any issue, the plight of Soviet Jews must be raised. The Soviet Union must comply with the Helsinki accord and guarantee the fundamental human right of religious freedom. We must continually call for an end to the oppression of Soviet Jews. My voice is part of this call.●

● Mr. BERMAN. Mr. Speaker, I wish to thank the gentleman from California, Mr. LUNGREN, for arranging this special order today on behalf of Soviet Jews.

We have assembled on several occasions thus far in the 99th Congress to express our resolve to aid Soviet Jews and we must continue to emphasize our commitment to their freedom.

Dan Shapira of Moscow, Evengy Aisenberg of Kharkov, Nadazhda Fradkove of Leningrad and Yuli Edelstein of Moscow are well-known representatives of the persecuted thousands. The harassment, arrest, and sentencing of Aleksandr Kholmiansky, Yakov Levin, Shapira, and Aisenberg, all of whom are Hebrew teachers, is an obvious effort on the part of the Soviet authorities to smother the practice of Judaism by destroying that which keeps it alive. Of the over 350,000 Jews who have begun the emigration process in hope of escaping the fear and harassment, well over 20,000 are refuseniks.

We will not end our protest until the oppression ends. Just this week, Congressman HENRY WAXMAN and I wrote a letter on behalf of the Abramovich family of Moscow. The letter was signed by over 80 of our colleagues and sent to Mr. Gorbachev. Pavel Abramovich and his family have been waiting since 1971 for permission to leave the U.S.S.R. When Abramovich applied for an exit visa he was fired from his job as an engineer. Later he was coerced into discontinuing his activity as a Hebrew teacher and was left without a means of supporting his family. What has been done to the Abramovich family has been done to many Soviet Jewish families.

Since Mr. Gorbachev assumed the position of Secretary General we have waited for signs of change in Soviet policy toward the Jews. Publically the Soviets insist that all Jews who want to leave the country have done so, and that remaining Jewish citizens are content to stay. Yet thousands still apply for emigration privileges and are denied the right to leave because, according to the Soviet Government, "the current international situation does not warrant emigration."

Now that the two countries are taking steps to improve relations, we are pleased and encouraged by preliminary signs of improvement in the treatment of Soviet Jews. In recent months, the long-term grain agreement has been established, arms control talks have resumed, there has been a preliminary meeting of the Joint Soviet-American Economic Commission, and the suggestion has been made that the U.S.-Soviet bilateral scientific and technological exchanges resume. In keeping with this trend, Jewish emigration rose last month from 97 to 166. Moreover, some long-term refuseniks were among those granted visas.

This encouraging news must fuel our efforts, not satisfy them. There are still thousands of refuseniks in the U.S.S.R. and 23 Jewish prisoners of conscience. Change will not be simple or immediate. We must continue to write letters, raise the issue on the House floor, and keep the struggle alive. We will not rest until every Jew in the Soviet Union is free.●

● Mr. FRENZEL. Mr. Speaker, the remembrance of the Holocaust and the recent anniversary of the end of the struggle to defeat Nazi racism and

genocide make it especially fitting for us today to reiterate grave concern over the fate of Soviet Jewry and to renew the appeal to General Secretary Gorbachev to recognize the solemn commitments made by the U.S.S.R. at Helsinki on basic human rights.

Daily, we read reports of mistreatment of Soviet Jews seeking to emigrate from the U.S.S.R. and the intensifying campaign of repression the Soviets wage against Jewish cultural activists and refuseniks. The issue of religious freedom in the U.S.S.R., as well as the rights and welfare of those imprisoned for their religious or human rights activities, remain matters of fundamental concern to me.

The number of Soviet Jewish citizens allowed to emigrate has now fallen to historically low levels. Fewer than 900 Soviet Jews were allowed to emigrate in 1984. Recently, there have been reports that the level of emigration is slightly increasing. I can only hope that the new Soviet leaders have finally concluded that no overall improvement in relations with the United States is possible unless our genuine human rights concerns are addressed.

The President, correctly, has stated that we do not seek to force the Soviets to change their system. We do, however, demand that they live up to their Helsinki obligations and respect the rights of those seeking to emigrate. The Soviets should also adopt a more accommodating position toward visa applications from former Soviet citizens seeking to visit relatives still in the U.S.S.R.

I am pleased that Commerce Secretary Baldrige is now in Moscow for the first session of the U.S.-U.S.S.R. Joint Commercial Commission since 1978. I favor increased trade in nonstrategic products as a way of building a more constructive relationship, and I hope the Secretary's journey is successful in reopening the trade dialogue at the Cabinet level. The Soviets, however, should be under no illusions that we are so anxious for trade that we are willing to foresake our historic support for the rights of Soviet Jews.

I trust that Secretary Baldrige will raise the question of human rights during his talks. Progress will not be easy. My hope is that in the context of our expanded dialogue with the Soviets on arms control, trade, and other issues of concern that we can make genuine and lasting progress on the human rights question as well.

Let the history of the liberation of the Ethiopian Jews be repeated. Let those who wish to join their families in Israel and elsewhere be permitted to leave and let those who seek to emigrate for purposes of religious or political freedom be given this basic human right.●

● Mr. YOUNG of Florida. Mr. Speaker, I commend my colleague from California for requesting this time today so that we may express our outrage at the continued repression of Soviet Jews by the Soviet Government.

The Soviets deny thousands of requests each year from Jews seeking to emigrate to Israel, the United States, and other nations where they will be permitted to worship freely. In fact, Soviet leaders have almost entirely choked off Jewish emigration, as they allowed only 900 exit visas to Soviet Jews last year.

One Soviet Jew, Igor Tsiperfal, was fortunate enough to receive a visa last year, emigrated to the United States, and now lives in Pinellas County, FL. Maria Vesperi, a reporter for the St. Petersburg Times, wrote a very enlightening story earlier this month about Mr. Tsiperfal and his experiences in the Soviet Union. Following my remarks, I would like to include this story because it demonstrates the total disregard with which the Soviet Government holds human rights such as freedom of religion.

Because he is Jewish, Mr. Tsiperfal knew he would never be allowed to advance past a certain level in Soviet society. In fact, he says anti-Semitism has over time evolved into Soviet Government policy. Soviet Jews are given two choices by the Government—"emigrate or assimilate through mixed marriages." Emigration is virtually impossible, so for those Soviet Jews who refused assimilation, Mr. Tsiperfal says the Government recommended that they move to the Jewish autonomic region along the Soviet/China border. "It's very convenient for the Government to have them on the border because the Chinese border is probably the most dangerous place in the Soviet Union."

U.S. efforts to call world attention to the mistreatment of Soviet Jews has forced the Soviets to grant exist visas, even if only in a limited number of cases. Due to "world opinion," he says, "The Soviet Union, very reluctantly, has to let some people go out of the country."

Although emigration meant leaving his home country forever and that he would probably never see his family or friends again, he says his decision to come to the United States was worth it because he is free and his children will be free.

I think my children will appreciate the things that I did, because this is probably one of the most important things, that my children are going to be free. They are going to be American citizens. They are going to live in the most free country in the world.

Mr. Tsipefal is proof that Soviet repression cannot douse the quest of Soviet Jews for freedom and the right to worship the God of their choice. He is one of the lucky few that was able to leave the Soviet Union, and his story is a reminder that it is only through our unwavering support of those Soviet Jews who continue to be denied exit visas that they may someday be granted the freedom they so bravely seek. Despite efforts of the Soviet Government, our prayers and expresions of concern are being heard by Soviet Jews. Hopefully, our efforts will allow more people such as Mr. Tsiperfal to one day know the freedoms that have too long been denied the Soviet people by their Government.

BORN IN U.S.S.R., HE'S AT HOME IN THE U.S.A.

Igor Tsiperfal grew up on the music of the Beatles. He pondered the lyrics of songs by Bob Dylan. He went to see some Western movies and became "carzy about cowboys." He read everything in his local library by Jack London, then moved on to James Joyce and Franz Kafka.

These are the things American boyhood dreams are made of, but Tsiperfal was never an American boy. He was born 26 years ago in the small town of Ismail, U.S.S.R. He attended the university in Leningrad, where he earned the equivalent of our master's degree in engineering. He found challenging work in the field of fiberoptic telecommunications. Outgoing and personable, he pursued secondary interests in television and journalism..

"I was enjoying my life," Tsiperfal remembers. But all the time, he says, plans for the "exodus" occupied his thoughts:

"Since I was a little kid I was reading a lot, and interested in a lot of things. Sometimes there were some questions I couldn't answer. Further on, as I was growing morally and physically, I started to realize some things that I didn't understand before. My disagreement with the order that surrounded me really grew. Sometimes you have to decide if this is the thing that you want to do all your life—or not . . .

"For the people like me, I see only two ways. It's either staying within the country and trying to change some things—or leave."

Tsiperfal, who is Jewish, learned early that he could never rise above a certain level in Soviet society. "Emigrate or assimilate through mixed marriages" was part of the message he received. Those Jews who disdained assimilation were encouraged to move to the "Jewish autonomic region," along the border with China, he says.

"It's very convenient for the government to have them on the border, because the Chinese border is probably the most dangerous place in the Soviet Union," he remarks bitterly.

Armed with a set of ideals gleaned from American and English literature and history plus the rock music of the 1960s and '70s, Tsiperfal decided to apply for an exit visa from the Soviet Union and sek political/religious refugee status in the United States. It was a drastic choice, and a lonely one.

"The only way, if you want to leave the country, is forever," he explains, his voice tightening. "You will never be able to get back, to return. I have my everybody over there—my parents, my brother, my nephew. I love them very much. I can't even think of visiting them," he trails off sadly, "or something . . ." He has been in America for just under one year.

Tsiperfal is quick to stress that he left his country legally, not as a defector. Defection, he explains, is very dangerous and also very rare because most Soviets who travel to other countries on business are carefully

prescreened. He says most of those who defect are "desperate people . . . and they know this is the only chance for them."

Tsiperfal thanks "world opinion" for making the exist visa option possible for some of the thousands who wish to leave. "The Soviet Union, very reluctantly, has to let some people go out of the country. . . . They can't stop immigration, they can't just close the border.

"There was always anti-Semitism in Russia," he says with a shrug. "The Jews were harassed and persecuted throughout all the history of so-called Russia. Before 1917, it was the czar. . . . The Jews had to live in certain places—*little* places. . . . There was an invisible border in the country for Jews.

"After the revolution, gradually, atheism began to prevail. It became a hard time for the Christians, but it added to the hard time of the Jews also. . . . Very gradually, anti-Semitism became (Soviet) government policy."

And in America?

"I presume that anti-Semitism is everywhere," he begins seriously. Then: "I haven't encountered any anti-Semitism toward myself. I see a very strong Jewish community in the United States. Very strong, very influential. I can't imagine how there can be anti-Semitism. There may be some kind of personal feelings, but not massive, like in the Soviet Union."

Tsiperfal speaks excellent English, but it isn't easy for him to articulate his thoughts. He struggles out loud to reconcile his Soviet upbringing, the America of his dreams and the reality of life in Clearwater, Florida.

Tsiperfal loves the freedom of movement, for instance; back home he was required to carry a passport and register with the government when he traveled from one city to another.

"You can go anywhere," he says. "This is very interesting—people take it for granted."

Tsiperfal works for an ophthalmologist in New Port Richey. He hasn't found work in his own specialty because most companies that need his skills are working under government contract. Tsiperfal is not yet eligible to apply for a security clearance, but he is too busy hoping and planning for the future to mind the waiting:

"I think my children will appreciate the things that I did, because this is probably one of the most important things, that my children are going to be free," he says happily. "They are going to be American citizens. They are going to live in the most free country in the world. . . .

"It's not just another country, it's another planet."

Yet there are things about America that make Tsiperfal uneasy. "This country actually sets the standards in many things," he says cautiously. "People hold a very idealistic image of the United States. Unfortunately, you can't have it all."

Tsiperfal is shocked, for instance, by the proliferation of handguns in America. He is also saddened by the lack of environmental concern for what he considers one of the most fascinating collection of natural wonders he has ever seen:

"These beaches, these palm trees—it is like a dream," he says with boyish enthusiasm. "This weather, these pelicans, these bird sanctuaries. Armadillos!"

Tsiperfal says the average Soviet standard of living is low, but there is no poverty such as he has observed in America. Soviet medical care isn't always the best, but it is free. Unemployment is unknown.

"In the United States, you have extremes. You can be at the top, you can be at the very bottom. Nothing is guaranteed. In the Soviet Union, social security is guaranteed, and this is the main thing in the political argument between the two countries.

"On the other hand, the individualistic approach is moving America ahead. In the Soviet Union they don't have any personal initiatives, incentives, and they are just lagging behind. Here you have to struggle, you have to fight, but here there are opportunities."●

● Mr. FROST. Mr. Speaker, I'm pleased to once again join with my colleagues to speak out on an issue that is of deep personal concern to me—the plight of the Soviet Jews. As many of you already know, the month of April brought some good news to this long-suffering community. The emigration of Jews from the Soviet Union reached its highest level in nearly 2 years—166 were allowed to leave last month. This is, of course, an encouraging sign and perhaps a signal from the Soviets that they intend to do better in the area of human rights. I know, though, that I speak for everyone here when I say that it is not enough. We would like to see many, many more exit visas granted and we would like to see this trend continued until all who wish to leave have been permitted to do so.

While there is, for the first time in a long time, reason to be somewhat optimistic, we must not let that blind us to the true situation in the Soviet Union. We cannot forget those that are being left behind while a lucky few are allowed to leave. We cannot forget those who languish in jails because they applied for exit visas years ago.

The situation for the Jewish community in the Soviet Union is as desperate as it has ever been in the past. In the last 12 months, harassment and imprisonment of Soviet Jews has risen dramatically. There has been a marked cultural crackdown on those Jews who choose to practice Jewish tradition or show an interest in their cultural heritage.

I have been to the Soviet Union and have met with refusenik families. I have heard their stories and seen the hardships that they are forced to endure. Jobs are lost, careers are destroyed, their children are denied an education, and they suffer from constant threats and intimidation. They suffer all this because of their simple desire to claim the heritage that is rightfully theirs and to practice freely the religion of their birth.

We cannot allow this to continue. As we enter this critical period in United States-Soviet relations, we are offered a greater opportunity than ever before to effect a real change for Soviet Jewry. The Congress must speak with one voice in reminding the Soviet Union that we, as a nation, will continue to strive for religious and cultural freedom throughout the world.●

● Mr. DASCHLE. Mr. Speaker, I am honored to join my colleagues in raising an alarm about the plight of Soviet Jews and their ongoing struggle to gain religious freedom.

An alarm must be raised for the more than 400,000 Soviet Jews who have initiated the complicated process of obtaining exit visas.

An alarm must be raised because the Soviet Union has granted only a small fraction of these visas.

An alarm must be raised because applying for an exit visa often marks the beginning of persecution of these Jews and their families.

They are likely to lose their jobs. They will stop getting their mail and their telephone calls. They will fear for the safety of their children and older relatives.

In spite of these threats, Soviet Jews have bravely remained committed to their culture and their religion. They continue to secretly band together to study Hebrew, Jewish culture, and history.

From the despair of this existence, heroes have emerged. Heroes that serve as examples to the world. Anatoly Shcharansky has been in a cell of the infamous Gulag Archipelago for 8 years and Andrei Sakharov has been under house arrest for 5 years.

Their message is simple—and one I urge this body to remember: world peace and human rights are inseparable.

We must raise an alarm on behalf of Soviet Jews who call out to us from their imprisonment. We must see to it that all people live in an atmosphere free of religious persecution.

It is a crucial time in the relationship between the United States and Soviet Union. If the Soviet Union wants to establish mutual trust, they can start by complying with the international agreements they have already signed.

We must raise an alarm so Soviet Jews can emigrate or live free of religious persecution.●

Mr. LUNGREN. Mr. Speaker, I yield back the balance of my time.

THE BUDGET

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

(Mr. BROWN of Colorado asked and was given permission to revise and extend his remarks.)

Mr. BROWN of Colorado. Mr. Speaker, tomorrow this House will take up the budget for fiscal year 1986. It is vitally important that we have a feel for the very fundamental assumptions that underlie the budget itself. Often this portion of the budget is overlooked or ignored, but it is vitally important—and why?

Economic assumptions forecast the spend-out in many of our entitlement

programs. They in effect play a vital part in determining what this country will spend and take in.

What has happened, is that we have consistently underestimated the deficit every year in these last 6 years. Because of that, we have ignored the real crisis that we face in terms of a budget.

This evening let's review the budget assumptions for the last 6 years and see how those projections have worked out. Then we will talk about the projections that underlie the budget document that is coming to the floor. Only when we look at the assumptions can we understand the real impact of what is proposed for the Nation.

□ 2150

Lastly I would like to take a brief look at what we can do. It is vital for our Nation to act this year.

First of all let us take a quick look at what has happened in the last 6 years in those budgets. The chart on my left indicates with a red line the actual deficits that our country has experienced during these last 6 fiscal years. The blue line that underlies it is what we projected in our first congressional budget resolutions.

There are several facts that become quickly apparent when you look at the chart. First of all there is not a single year in the last 6 years when we have not underestimated the deficit.

Now, none of us are perfect in forecasting. I know of no economic forecast service that will be right every year. But the fact is this Congress has been consistently wrong and we have consistently underestimated the deficits that our country has suffered.

The first budget resolution estimated a deficit of $23 billion in 1980. The actual deficit was $59.6 billion. We underestimated it by $36.6 billion.

In 1981 the first budget resolution projected a surplus. The reality was that we had a deficit of $57.9 billion, an error of $58.1 billion.

In 1982 we estimated a deficit of $37.6 billion. It turned out to be $110.6 billion, an error of $73 billion.

In 1983 the estimated was $103.9 billion and the actual was $195.4 billion, a $91.5 billion error.

In 1984, perhaps one of the most interesting years of all, the estimate was $169.9 billion in the red. The reality was $175.4 billion.

Here we should observe that the $175.4 billion is a lower deficit than what you have seen in other reports, but it is appropriate for comparison purposes because we had not, in the original estimate, included off-budget items. Neither does the projection in the chart include off-budget items. The error in 1984 was $5.5 billion.

You might say that while we have still underestimated the deficit, that might be excusable because it is so close. But let me suggest too that you may want to look at that in historic perspective.

Always in the past we have tended to underestimate the deficit in years of a downturn. We have tended to have a much higher surplus or a much lower deficit in years of recovery. That is because when the recoveries come, as they did in 1984, they are usually far stronger than what anyone assumed.

The remarkable thing about 1984 is that even in a year of spectacular recovery the deficit still was larger than what we had projected.

In 1985 we projected $181.1 billion of red ink. It turned out to be $214 billion, or at least that is the current estimate.

My guess is a slower growth in the economy will cause that figure to be revised upward, and the error will be greater than the $23.9 billion that it now appears to be.

Now, what is the point of all of this? That we are not very good at estimating what the deficit will turn out to be? Certainly that goes without saying. But there is another lesson here that I think is very important. Congress has consistently, in every year for the last 6 years, underestimated what the deficit would be. And because we have underestimated the scope of the problem we face we have failed to take the action that this Congress needs to in facing up to our economic problems.

The real errors, though, I believe, come about when you look several years down the road. You do not have to go very far on this floor to hear that while we have not balanced the budget this year, we have taken those steps that are necessary to bring the budget into line 2 years down the road.

Let us take an objective look at what those estimates will mean when you look several years down the road.

What is that record? For the fiscal 1980 budget we forecast for fiscal 1982 a surplus of $33 billion. It turned out to be $110.6 billion in deficit, or an error of $143.6 billion.

Now that is not close, but that is the closest we have come in this decade in making estimates for those 2 years out.

In 1981 the projection for 1983 was for a $39 billion surplus but we actually ended up with a deficit of $195.4 billion, an error of $234.4 billion. Again we underestimated the deficit.

In fiscal 1982 we forecast for fiscal 1984 a surplus of $1 billion. The deficit was $175.4 billion, an error of $176.4 billion.

In fiscal 1983 we forecast for 1985, the fiscal year we are finishing up now, we forecast believe it or not, a $60 billion deficit. It turned out to be $214 billion, or at least that is our current estimates. It could be higher than that. That is an error of $154 billion.

These are not simply errors in estimating. These are a conscientious, continually occurring phenomena where we have systematically underestimated the deficit.

What we have done is, rather than dealing with the deficit, we have tried to assume it away. Instead of recognizing America has a problem and dealing with it, we have written budgets that assume dramatic growth far beyond any realm of reality.

No one is suggesting that you can have perfect forecasts. But you can have realistic ones, realistic ones that will err both on the up side and the down side. They will not be consistently underestimating the deficit.

You cannot look at these figures or the history of Congress in dealing with the Budget Act and come to any other conclusion than that we have systematically chosen to cover up the size of the problem that this country faces.

I want to take a look quickly at the assumptions that we are using for the budget in the year to come. It is important because on that hangs the question of whether or not you actually achieve a $56 billion savings as is claimed in the resolution.

The resolution is woefully negligent in assessing the current situation. The current budget resolution assumes a 4-percent real growth in the gross national product.

Now, all of us know the growth for the real GNP this year is significantly lower than that figure. But that budget resolution assumes a 4-percent real growth.

How do the experts view that? What do they forecast?

Blue Chip, which is a composite of 50 leading economists, forecasted a 2.7-percent real growth. In other words, significantly less than what our budget assumes. The Chase Econometrics forecasts a 2.4-percent real growth. We are assuming a real growth more than 50 percent higher than Chase Econometrics. And DRI, that has an excellent record of reliable forecasts, sees a 2.4-percent real growth as well.

Let us be frank. None of us knows exactly what that real growth is going to be for the next year. But the fact is that we are placing our faith in next year's budget on an assumption that is dramatically higher than any of the responsible forecasting services have come up with.

□ 2200

On unemployment, the budget assumes a 6.9-percent unemployment record. Yet Chase and DRI both agree in their forecast of a 7.6-percent unemployment rate.

What does all this mean? The fact is we forecast 4 percent real growth on for years to come. In the last 6 years,

including good years and bad years, we have had a 2.5 percent annual average growth in the GNP.

Yet our forecast for 1986 is for a 4 percent growth, in 1987 another 4 percent real growth, in 1988 another 4 percent real growth, 1989, 3.9 percent real growth, in 1990 a 3.6 percent real growth.

What we have assumed is a dramatically higher level of real growth in the GNP than what we have achieved in the last 6 years. What is more, we assume we are not going to have a recession during that 5-year future period. I hope it is true. But the fact is we are basing our spending forecasts and our spending plan on assumptions that are wildly unrealistic.

I will come back to that, because I believe capital formation is an important factor in achieving future growth.

What are OMB's projections? OMB does not agree with the assumptions that we are using in this budget. They are forecasting significantly lower rates of growth and more realistic assumptions across the board. Are they correct? I do not know. Are they perfect. No. Are they more reliable than Congress has been? Yes. They are at least reasonably close to what many of the other forecasters are suggesting. At least they bear some resemblance to what our recent history is.

But what happens when you take a look at these figures? What do you come up with? You come up with a far truer picture of where this country is headed. Let us take a look. The Economic and Budget Outlook for fiscal years 1986 through 1990 which was published in February 1985 and on page 71 is a set of forecasts for the economy. The baseline projection which assumes that the programs that we have will go on as they are projected, recognizes a deficit of $214 billion this year. It suggests it will rise next year to $215 billion, go to $233 billion in 1987, go to $249 billion in 1988, go to $272 billion in 1989, and by 1990 it suggests that the deficit will stand at $296 billion. And that assumes rising Federal revenue throughout that period. Clearly we must change.

The more realistic assumption I would suggest to you is under their low-growth alternative. I might say that low-growth alternative is slightly less than an average 2 percent real growth factor. You must make up your mind whether or not you feel that is realistic.

The low-growth assumptions does not assume skyrocketing interest rates. It does assume a more realistic growth rate. Without changes it suggests that this year we will come in at around $220 billion in the red. My guess is that it is closer to the truth than $214 billion.

In 1986 it forecasts a $232 billion deficit. In 1987 it forecasts a $298 billion deficit. In 1988 it estimates a $384 billion deficit. In 1989 it sees a $412 billion deficit. In 1990 it forecasts a $425 billion deficit. My friends, that does not assume runaway interest rates, it assumes interest rates remain fairly modest. It does not take into account our tendency to overspend the budget which occurs each and every year in this House. It does not take into account many of the unexpected things that could happen. It does assume that we will have a slowdown or a mild recession. That type of volatility in our economy has been with us since our Republic was founded and will last long beyond the membership in this House of any of our colleagues. Assuming that in here—is only realistic. It may not be what we want to hear but my guess is it is an eventuality that we must take into account.

What we are saying is the deficit by 1989 could well exceed $400 billion. The assumptions put into the budget resolution that will come to the floor tomorrow are wildly unrealistic. What we bring to the floor tomorrow from the Budget Committee is not a plan for the restructuring and revitalization of America; what we bring to the floor tomorrow is a plan for economic stagnation.

What we bring to the floor tomorrow is a plan that is clearly inadequate. What we bring to the floor tomorrow is a plan that hides from the truth. It assumes away our problems and that does not deal realistically with the urgent need to put America on the road to lasting recovery.

In the last 6 years we have had an approximate average annual real growth in GNP of 2.5 percent.

During that period of time what we have seen is that capital formation has played a key part in growth.

□ 2210

Savings as a percent of GNP have ranged from a low of 5.4 percent in 1980, President Carter's last year, to a high point of 7.4 percent in 1984.

Those savings are calculated as net private domestic savings. They do not take into account the inflow or outflow of capital from this country, from overseas sources.

There is another thing they don't take into account. They do not take into account the Government deficits. You must also look at what the real net, net savings are.

In other words, take into account what that Government deficit does.

The Government deficit comes out of the savings of the hard-working men and women of this country. The money available to reinvest in America, to make this economy stronger, must first pay for the profligate spending of this Government.

In 1980, we had domestic savings of $142 billion. But after the Federal Government got through, those savings were reduced to $82.6 billion. Net savings were 3.1 percent of our GNP.

In 1981, savings went up to $179.6 billion, but after we reduced them by the Federal deficit, they amounted to $121.7 billion.

Those years of savings were what laid the groundwork for the recovery of this country in the 1983 and 1984 period.

In 1982, we had savings drop to $165.2 billion, after you adjusted for the deficit, there was only $54.6 billion left. In 1983, after you subtracted the national deficit you had a minus $0.8 billion in savings.

In 1984, the year we've just finished, net private savings were $272.4 billion with a deficit of $175.4 billion; net savings were only $97.0 billion, or 2.6 percent of our economy.

The point of all of this is simply to suggest that one of the most important factors in determining real growth in our country is net capital formation. It is important to focus on that and ask ourselves what is happening to net capital formation in this Nation.

The facts are these: We have falling rates of net capital formation. The budget that is brought to the floor tomorrow will suggest that this country ignore reality by, continuing to increase spending. It suggests that we consume the savings of working men and women with higher Government debt.

The deficit, next year could well exceed $200 billion even if you adopt what that budget resolution classifies as savings.

What that means is that there will be very little capital left over in this Nation to reinvest in America and help bring our economy back. What it means is, the growth rate in future years is unlikely to be more than 50 percent higher than what it has been in the last 6 years, as is suggested in the assumptions. With a declining growth rate, comes skyrocketing deficits of even greater proportion.

The simple reality is, we cannot hide from the truth in this body any longer. The problem has grown big enough that we must face it. We must not hide our face from the reality that is upon us. If we propose to consume the savings in this Nation with Government deficits, we are going to face a stagnant economy. That stagnant economy will turn a crushing deficit into a burden that we simply cannot carry.

What can we do? Is the problem unsolvable? Clearly not. First and foremost I believe this body must adopt reasonable assumptions for economic forecast. Not wildly optimistic, not wildly pessimistic, but reasonable assumptions, because getting a handle on the problem necessitates understanding what that problem is.

Having come up with reasonable assumptions, I would hope that we would adopt an open rule for the budget resolution when it comes to the floor. The Rules Committee, unfortunately, has chosen to restrict the opportunity of Members of this body to offer amendments. They have been unwilling to have the alternatives presented to the American people.

That kind of restrictive rule is a tragedy for this Nation when we face such a crisis. Hopefully the Members of this body will vote to turn down that restrictive rule, and allow the real budget alternatives to come before this body.

What are those alternatives? A number of our Members have suggested a freeze. Simply not spending more this year than we did last year. That does not sound very dramatic, does it?

Yet, if we had employed it this year, in the fiscal year we are in, in 1985, we would have saved $107 billion. That is right. We had the biggest increase in spending of any year in the history of our Nation this year, fiscal year 1985.

A freeze would have had a dramatic impact in not only reducing the deficit, but reducing the interest burden that we will have to assume in future years.

So the first alternative that we should look at is a simple freeze; not cut money from any program, simply going one year without increasing spending.

Second, I think we must go through, area by area, category by category, and put this budget into shape. One of the more responsible alternatives was put together by Congressman JOHN PORTER, along with other colleagues from both sides of the aisle.

That budget resolution suggests saving over $70 billion in the plan for spending next year. It involves the best of both the House Budget Committee, as well as the Senate budget resolution. It takes an honest approach to the budget.

Unfortunately, the Rules Committee would not permit that alternative to come before the floor.

There are other suggestions. One is that we look at the individual functions. One of the alternatives is that as Members of Congress we cut the cost of the legislative branch by 10 percent.

Now that is a modest proposal, but it saves in the neighborhood of $150 million a year. I think it is much more important than simply saving that $150 million, though. I think that proposal has an impact far beyond the mere dollars it suggests.

Its impact is in setting an example. How can we turn to the people of this country and suggest they tighten their belts if we are unwilling to do our part? By standing up and taking a 10-percent cut in the cost of the legislative branch, we would be sending a clear signal that we are serious about putting this country back on the road to recovery.

Now some would say, "Hank, you can't do that. We operate on too close a margin around here that you can't cut 10 percent out of Congress without endangering its function." Do not believe it.

One of my predecessors came to Congress in the late forties. When he came on the Interior Committee they had four full-time staffers. They did more work with four full-time staffers on the Interior Committee than they have done anytime since then.

Today, with far less work, they have 73 full-time staffers doing the work that 4 did. Cannot take a 10-percent cut? Do not be foolish. This Congress could operate far more efficiently and effectively if we simply trimmed some of the waste in our own Halls.

What else could we do? The National Federation of Independent Businessmen, those small businessmen that benefit most by the Small Business Administration have come up with a suggestion for us.

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Their suggestion is in their own area, and I think they are to be commended for the suggestion. They have suggested that we trim the Small Business Administration loan program. That would save hundreds of millions of dollars a year. The Rules Committee refused to allow consideration of the amendment on the floor. At a time we face a budget crisis, let us hope the Members of this body are willing to open up that rule so we can consider the alternatives that will truly save money.

What else? The foreign aid budget in the House Budget Committee resolution in function 150, has had a dramatic increase in recent years. For all of international affairs, they are suggesting that we authorize $2.1 billion more in 1986 than we authorized in last year's budget. We can trim that. If we cannot trim foreign aid, what can we trim? If we cannot at least freeze foreign aid, what can we do?

One of the alternatives that was suggested in the Budget Committee was to go to last year's figure and save $2.1 billion simply by freezing it at that level. The Budget Committee unfortunately decided to turn that down.

The Rules Committee unfortunately refused to allow an amendment that would trim the international affairs budget function. They refused to allow that to even be brought to the floor for your consideration. If we are serious about getting the budget down, that needs to be looked at. We do not have the money for dramatic increases in foreign aid in the international affairs.

If we are going to ask Americans to tighten their belts, how can we then have an enormous increase in our foreign aid?

I would simply close at this point with a couple of observations that I think sum up the dilemma that this House faces tomorrow:

One, the assumptions in the budget are dramatically overstated, terribly unrealistic and very misleading in their conclusions. The size of the problem this House faces is much larger than what we have admitted to.

Two, it is vitally important we have before this House tomorrow meaningful alternatives to examine that will allow us to cut that deficit that looms on the horizon.

Three, we must turn down the Rules Committee rule with regard to the budget and open up the process, let the sun shine in, let our colleagues work on this deficit and pare it down.

I happen to believe that if we will work together for the good of this country, if we will take an honest forthright approach towards solving this problem, we can do it. Americans have always met the challenge. Americans have always been willing to come forward and make the sacrifices to keep our country growing and prosperous. I believe we can do it again. But we can only do it if this House faces up to the problem honestly and forthrightly. Hopefully, we will move in that direction tomorrow by defeating the rule and moving to amend that budget to bring the deficit down.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RUDD (at the request of Mr. MICHEL), for today, on account of dental work.

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 Mr. SWEENEY) to revise and extend their remarks and include extraneous material:)

Mr. EMERSON, for 30 minutes, today.

Mr. BATEMAN, for 5 minutes, today.

Mr. SILJANDER, for 60 minutes, today.

Mr. SILJANDER, for 60 minutes, May 22.

Mr. SILJANDER, for 60 minutes, May 23.

Mr. VANDER JAGT, for 5 minutes, today.

Mr. BROWN of Colorado, for 60 minutes, today.

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

Mr. ROBINSON, for 5 minutes, today.
Mr. STRATTON, for 5 minutes, today.
Mr. ANNUNZIO for 5 minutes, today.
Mr. PEPPER, for 5 minutes, today.
Mr. DYMALLY, for 5 minutes, today.
Mr. LIPINSKI, for 5 minutes, May 22.
Mr. DYMALLY, for 20 minutes, May 22.
Mr. DE LA GARZA, for 60 minutes, May 22.
Mr. DE LA GARZA, for 60 minutes, May 23.

EXTENSION OF REMARKS

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

Mr. ADDABBO, following Mr. WOLPE in general debate on H.R. 1460 in the Committee of the Whole today.

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

Mr. GEKAS.
Mr. DORNAN of California in two instances.
Mr. CONTE.
Mr. HAMMERSCHMIDT in four instances.
Mr. SHUMWAY in two instances.
Mr. BROOMFIELD.
Mr. PURSELL.
Mr. ROTH.
Mr. COATS.
Mr. GILMAN in three instances.
Mr. HYDE.
Mr. BADHAM.
Mr. SCHUETTE.
Mr. COURTER.
Mr. KRAMER.
Mr. TAUKE.
Mr. JEFFORDS.
Mr. FIELDS.
Mr. MYERS of Indiana.
Mr. CHENEY in two instances.
Mr. MICHEL.

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

Mr. UDALL.
Mr. EDGAR.
Mr. HAWKINS.
Mr. TRAFICANT.
Mr. LEHMAN of Florida.
Mr. DYMALLY.
Mr. ACKERMAN.
Mr. SKELTON.
Mr. FORD of Michigan in two instances.
Mr. DYSON in two instances.
Mr. SOLARZ in three instances.
Mr. MONTGOMERY in two instances.
Mr. MATSUI.
Mr. VENTO.
Mrs. BURTON of California.
Mr. TORRES.
Mrs. KENNELLY.
Mr. ST GERMAIN.
Mr. RODINO.
Mr. LIPINSKI.
Mr. ROE in two instances.
Mr. STARK in two instances.
Mr. WAXMAN.
Mr. WOLPE in three instances.
Ms. MIKULSKI.
Mr. EDWARDS of California.
Mr. STUDDS.
Mr. SMITH of Florida in three instances.
Mr. MINETA.
Mr. STALLINGS.
Mr. BONKER in two instances.
Mr. FRANK.
Mr. KOLTER in two instances.
Mrs. SCHROEDER.
Mr. WALGREN.
Mr. HUBBARD.

SENATE BILL AND JOINT RESOLUTIONS REFERRED

A bill and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1023. An act to extend authorizations for appropriations for the Disaster Relief Act of 1974, and for other purposes; to the Committee on Public Works and Transportation.

S.J. Res. 81. Joint resolution to provide for the appointment of Barnabas McHenry as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

S.J. Res. 131. Joint resolution to designate the week of June 2, 1985, through June 8, 1985, as "Future Problem Solving Program Week"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. SIKORSKI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 30 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 22, 1985, at 10 a.m.

OATH OF OFFICE, MEMBERS, RESIDENT COMMISSIONER AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members, Resident Commissioner, and Delegates of the House of Representatives, the text of which is carried in 5 U.S.C. 3331:

> "I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 99th Congress, pursuant to the provisions of 2 U.S.C. 25:

FRANK MCCLOSKEY, Eighth, Indiana.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1324. A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to recover costs of carrying out Federal marketing agreements and orders; to the Committee on Agriculture.

1325. A letter from the Executive Associate Director for Budget and Legislation, Office of Management and Budget, transmitting additional information to an earlier report on the reapportionment of the appropriation to the Financial Management Service for "Salaries and Expenses" (Executive Communication No. 1031, April 16, 1985), pursuant to 31 U.S.C. 1515(b)(2); to the Committee on Appropriations.

1326. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter of Offer to the United Kingdom for Defense Articles estimated to cost $50 million or more (Transmittal No. 85-32), pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1327. A letter from the Secretary of Energy, transmitting a report on the Industrial Energy Efficiency Improvement Program, pursuant to EPCA, Section 375(e) (92 Stat. 3282); to the Committee on Energy and Commerce.

1328. A letter from the Secretary of Energy, transmitting a report on activities undertaken with respect to the strategic petroleum reserve under the SPR Amendments Act of 1981, pursuant to EPCA, Section 165(b) (95 Stat. 620); to the Committee on Energy and Commerce.

1329. A letter from the Acting General Counsel, Department of Energy, transmitting notice of meetings related to the International Energy Program; to the Committee on Energy and Commerce.

1330. A letter from the Director, Defense Security Assistance Agency, transmitting notice of intent of offer to sell certain defense articles or services to the United Kingdom (Transmittal No. 85-32), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1331. A letter from the Director, Defense Security Assistance Agency, transmitting notice of intent of offer to sell certain defense articles or services to the United Kingdom (Transmittal No. 85-33), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1332. A letter from the Director, Office of Legislative Affairs, Agency for International Development, transmitting notice of a change in the allocation of foreign assistance to Mauritania, pursuant to 22 U.S.C. 2413(b); to the Committee on Foreign Affairs.

1333. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1334. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Edward M. Rowell, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1335. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by L. Craig Johnston, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1336. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Lester Nicholas Ruwe, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iceland, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1337. A letter from the Comptroller General of the United States, transmitting a list of all reports issued by the GAO during April 1985, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

1338. A letter from the Administrator, Health Care Financing Administration, Department of Health and Human Services, transmitting notification of a new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1339. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting a report on compliance with the laws relating to open meetings of agencies of the Government (Government in the Sunshine Act), pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

1340. A letter from the Secretary, Council of the District of Columbia, transmitting a copy of Council Resolution 6-118, entitled: "Black Revolutionary War Patriots Memorial Support Resolution of 1985," pursuant to Public Law 93-198, section 602(c); to the Committee on House Administration.

1341. A letter from the the Clerk, U.S. House of Representatives, transmitting his quarterly report of receipts and expenditures of appropriations and other funds for the period January 1, 1985 to March 31, 1985, pursuant to 2 U.S.C. 104a (H. Doc. No. 99-70); to the Committee on House Administration and ordered to be printed.

1342. A letter from the Treasurer General, Daughters of the American Revolution, transmitting the Society's report and financial audit for the fiscal year ended February 28, 1985, pursuant to Public Law 88-504, section 3 (36 U.S.C.1103); to the Committee on the Judiciary.

1343. A letter from the Office of the Special Counsel, U.S. Merit Systems Protection Board, transmitting an addendum to the report (EC0552) concerning the investigation of allegations of widespread travel fraud and violations of law in the Corps of Engineers, pursuant to 5 U.S.C. 1206(b)(5)(A) (92 Stat. 1125); to the Committee on Post Office and Civil Service.

1344. A letter from the Secretary of Transportation, transmitting the National Airway System Plan Annual Report for fiscal year 1984, pursuant to Public Law 97-248, section 504(b)(1); to the Committee on Public Works and Transportation.

1345. A letter from the Administrator, National Aeronautics and Space Administration, transmitting notice of a modification of a NASA facility on Easter Island, pursuant to Public Law 98-361, section 103; to the Committee on Science and Technology.

1346. A letter from the Assistant Secretary of the Treasury for Legislative Affairs and the, Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting the seventh annual report on the progress in enhancing human rights through U.S. participation in international financial institutions, pursuant to Public Law 95-118, section 701(c)(1) (94 Stat. 431); jointly, to the Committees on Banking, Finance and Urban Affairs and Foreign Affairs.

1347. A letter from the Chairman, National Advisory Committee on Oceans and Atmosphere, transmitting a report entitled: "North Pacific Fur Seals: Current Problems and Opportunities Concerning Conservation and Management;" jointly to the Committees on Merchant Marine and Fisheries and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FUQUA: Committee on Science and Technology. S. 817. A bill to authorize appropriations under the Earthquake Hazards Reduction Act of 1977 for fiscal years 1986 and 1987, and for other purposes; with amendments (Rept. No. 99-90, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. Supplemental report on H.R. 2478 (Rept. No. 99-116, Pt. II) Ordered to be printed.

Mr. PEPPER. Committee on Rules. House Concurrent Resolution 152. Current resolution to revise the congressional budget for the U.S. Government for the fiscal year 1986 and setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988 (Rept. No. 99-133, Pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. FUQUA: Committee on Science and Technology. S. 818. A bill to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974; with an amendment (Rept. No. 99-135). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 446. A bill to designate the Federal Building in Akron, OH, as the "Paul C. Weick Federal Building and United States Courthouse"; (Rept. No. 99-136). Referred to the House Calendar.

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 633. A bill to designate the U.S. Post Office Building in Flushing, NY, as the "Benjamin S. Rosenthal Post Office Building" (Rept. No. 99-137). Referred to the House Calendar.

Mr. BROOKS: Committee on Government Operations. The President's suspension of the Competition in Contracting Act is unconstitutional. (Rept. No. 99-138). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. Costly failure to control Government property furnish to defense contractors remains uncorrected. No. 99-139). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. OSHA's failure to protect the health and safety of workers at hazardous waste sites (Rept. No. 99-140). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 177. Resolution providing for the consideration of House Concurrent Resolution 152, concurrent resolution revising the congressional budget for the U.S. Government for the fiscal year 1986 and setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988 (Rept. No. 99-141). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JONES of North Carolina:

H.R. 2550. A bill to amend section 506 of the Merchant Marine Act, 1936, to permit permanent payback of construction-differential subsidy; to the Committee on Merchant Marine and Fisheries.

By Mr. MITCHELL:

H.R. 2551. A bill to amend the Internal Revenue Code of 1954 to provide that the interest on certain obligations related to exempt activities, industrial parks, and small issues shall be exempt from Federal income tax only if at least 10 percent of the proceeds of the issue are to be expended with underutilized small businesses, and for other purposes; to the Committee on Ways and Means.

By Mr. APPLEGATE:

H.R. 2552. A bill to amend the Internal Revenue Code of 1954 to extend to February 15 the date for filing the fourth installment of estimated tax for individuals, and for other purposes; to the Committee on Ways and Means.

By Mr. BENNETT (for himself, Mr. RANGEL, Mr. GILMAN, Mr. MONTGOMERY, and Mr. SHAW):

H.R. 2553. A bill to amend title 10, United States Code, to authorize members of the Armed Forces to assist civilian law enforcement agencies in drug-interdiction operations outside the United States; to the Committee on Armed Services.

By Mr. BENNETT (for himself, Mr. NICHOLS, Mrs. BOXER, Mr. WHITLEY, Mr. COUGHLIN, Mr. GIBBONS, Mr. PANETTA, Mr. FRANK, Mr. MINETA, Mr. DORGAN of North Dakota, Mr. LEVINE of California, Mr. GEJDENSON, Ms. SNOWE, Mr. PORTER, Mr. DENNY SMITH, Mr. FAUNTROY, Mr. BEILENSON, Mr. HUGHES, Mr. KOLTER, Mr. TORRICELLI, Mr. EDGAR, Mr. COELHO, Mr. MITCHELL, Mr. JACOBS, Ms. KAPTUR, Mr. SOLOMON, Mr. BOUCHER, Mr. STOKES, Mr. EVANS of Illinois, Mrs. BURTON of California, Mr. BEVILL, Mr. AUCOIN, Mr. DOWNEY of New York, Mr. WEISS, Mr. STARK, and Mr. VENTO):

H.R. 2554. A bill to limit conflicts of interest in defense procurement; to the Committee on Armed Services.

By Mrs. BENTLEY:

H.R. 2555. A bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. DELLUMS:

H.R. 2556. A bill to authorize appropriations for fiscal year 1986 for the Armed Forces for procurement, for research, development, test, and evaluation, for operation and maintenance, and for working capital funds, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes; to the Committee on Armed Services.

By Mr. DYMALLY:

H.R. 2557. A bill to establish partnership agreements between institutions of higher education and secondary schools; to the Committee on Education and Labor.

By Mr. DYMALLY (for himself, Mr. HAWKINS, Mr. DIXON, Mr. CLAY, and Mr. LELAND):

H.R. 2558. A bill designating the United States Post Office Building to be constructed on the property on the northwest corner of the intersection of Florence Avenue and Central Avenue in Los Angeles, CA, as the "Leslie Nelson Shaw, Sr., General Mail Facility of the United States Postal Service;" to the Committee on Post Office and Civil Service.

By Mr. EMERSON (by request):

H.R. 2559. A bill entitled: "The Food Stamp and Commodity Distribution Amendments of 1985"; to the Committee on Agriculture.

By Mr. FLORIO (for himself, Mr. SIKORSKI, Ms. MIKULSKI, Mr. MARKEY, Mr. EDGAR, Mr. MOODY, Mr. DOWNEY of New York, Mr. FAZIO, Mr. GUARINI, Mr. MOLINARI, Mr. HEFTEL of Hawaii, Mr. WAXMAN, Mr. WIRTH, Mr. SWIFT, Mr. RODINO, Mr. FRANK, Mr. JEFFORDS, Mr. NELSON of Florida, Mr. FOGLIETTA, Mr. TORRES, Mr. MINETA, Mr. WEISS, Mr. LAFALCE, Mr. DWYER of New Jersey, Mr. HAYES, Mr. BIAGGI, Mr. AUCOIN, Mr. MORRISON of Connecticut, Mr. STUDDS, Mr. DICKS, Mr. SOLARZ, Mr. MILLER of California, Mr. HOYER, Mr. LOWRY of Washington, Mr. TORRICELLI, Mr. BOUCHER, Mr. BERMAN, Mr. WALGREN, Mr. LUNDINE, Mr. WILSON, Mr. SPRATT, Mr. BROWN of California, Mr. MARTINEZ, Mr. GREEN, Mr. HALL of Ohio, Mr. BEILENSON, and Mr. KLECZKA):

H.R. 2560. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and for other purposes; divided and referred as follows: Titles I and II jointly, to the Committee on Energy and Commerce and the Committee on Public Works and Transportation; title III to the Committee on Energy and Commerce; and title IV to the Committee on Ways and Means.

By Mr. KASTENMEIER (for himself and Mr. MOORHEAD):

H.R. 2561. A bill to amend section 456 of title 28, United States Code, to allow actual travel expenses of justices and judges; to the Committee on the Judiciary.

By Mr. LANTOS:

H.R. 2562. A bill to define allowable cost reimbursement under contracts of the Department of Defense and to authorize greater financial and criminal penalties for false claims; to the Committee on Armed Services.

By Mr. LELAND:

H.R. 2563. A bill to designate the U.S. Post Office Building located at 2909 Rogerdale in Houston, TX, as the "Debra Sue Schatz Post Office Building"; to the Committee on Post Office and Civil Service.

By Mr. MARLENEE (for himself, Mr. CRAIG, and Mr. WILLIAMS):

H.R. 2564. A bill to protect owners of firearms from certain litigation; to the Committee on the Judiciary.

H.R. 2565. A bill to provide to any person lawfully possessing a firearm in the place of such person's residence in the United States the right to possess that firearm anywhere in the United States; to the Committee on the Judiciary.

H.R. 2566. A bill to protect manufacturers of firearms from certain litigation; to the Committee on the Judiciary.

By Ms. OAKAR (for herself, Mr. CLAY, Mr. FAUNTROY, and Mr. MITCHELL):

H.R. 2567. A bill to prohibit Smithsonian Institution loans and investments in the Republic of South Africa, and for other purposes; to the Committee on House Administration.

By Mr. SHUMWAY:

H.R. 2568. A bill to provide for a uniform product liability law; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. STALLINGS:

H.R. 2569. A bill to amend the Wild Scenic Rivers Act to designate a segment of the Henry's Fork River in the State of Idaho for potential addition to the national wild and scenic rivers system; to the Committee on Interior and Insular Affairs.

By Mr. TRAFICANT:

H.R. 2570. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to limit eligibility for block grants under part D of such title to States in which owners of firearms are required to register such firearms with local law enforcement agencies; to the Committee on the Judiciary.

By Mr. VANDER JAGT (for himself, Mr. STARK, and Mr. MATSUI):

H.R. 2571. A bill to amend the Internal Revenue Code of 1954 to make certain changes relating to real estate investment trusts; to the Committee on Ways and Means.

By Mr. VENTO (for himself, Mr. PENNY, and Mr. FRENZEL):

H.R. 2572. A bill to amend title XVIII of the Social Security Act to permit a hospital to exempt a prolonged respiratory care unit that is a distinct unit of the hospital from the prospective payment system; to the Committee on Ways and Means.

By Mr. BATEMAN (for himself, Mrs. BOGGS, Mr. BIAGGI, Mr. MCKERNAN, Mr. PRICE, Mr. WHITEHURST, Mrs. BURTON of California, Mr. BENNETT, Mr. ADDABBO, Mr. ROE, Mr. TOWNS, Mr. YOUNG of Alaska, Mrs. BOXER, Mr. QUILLEN, Mr. MITCHELL, Mr. PEPPER, and Mrs. BENTLEY):

H.R. 2573. A bill to promote increased ocean transportation of bulk commodities in the foreign commerce of the United States in U.S.-flag ships, to strengthen the defense industrial base, and for other purposes; jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.

By Mr. FLORIO (for himself, Mr. OBERSTAR, and Mrs. BURTON of California):

H.J. Res. 289. Joint resolution to designate August 29, 1985, as "Railroad Retirement Day"; to the Committee on Post Office and Civil Service.

By Mr. RINALDO:

H.J. Res. 290. Joint resolution to designate the week beginning June 16, 1985, as "National Handball Week"; to the Committee on Post Office and Civil Service.

By Mr. EDWARDS of Oklahoma:

H.J. Res. 291. Joint resolution to express the sense of the Congress that the television broadcasting stations of the Nation should provide television coverage concerning missing children; to the Committee on Energy and Commerce.

By Mr. MILLER of Ohio:

H. Con. Res. 153. Concurrent resolution expressing congressional approval of the plans being made to commemorate the 200th anniversary of the Northwest Ordinance, and calling for a national celebration of such anniversary; to the Committee on Post Office and Civil Service.

By Mr. PURSELL (for himself, Mr. TAUKE, Ms. SNOWE, Mr. MCKINNEY, Mr. GUNDERSON, Mr. RIDGE, Mr. CHANDLER, Mrs. JOHNSON, Mr. HENRY, Mr. FISH, Mrs. SCHNEIDER, Mr. HORTON, Mr. LUJAN, Mr. STANGELAND, Mr. COUGHLIN, Mr. ROWLAND of Connecticut, Mr. LEACH of Iowa, and Mr. BOEHLERT):

H. Con. Res. 154. Concurrent resolution to revise the congressional budget for the U.S. Government for the fiscal year 1985 and setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988; to the Committee on the Budget.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

135. By the SPEAKER: Memorial of the House of Representatives of the State of Hawaii, relative to the Superfund; to the Committee on Energy and Commerce.

136. Also, memorial of the Legislature of the State of Nebraska, relative to a mutual reduction in nuclear weapons; to the Committee on Foreign Affairs.

137. Also, memorial of the Legislature of the State of Nevada, relative to the reform of Federal grand juries; to the Committee on the Judiciary.

138. Also, memorial of the House of Representatives of the State of Hawaii, relative to Federal energy tax credits; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. FOGLIETTA introduced a bill (H.R. 2574) for the relief of the survivors of Christopher Eney; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 11: Mr. BEREUTER, Mr. CHANDLER, Mr. COBEY, Mr. HAMMERSCHMIDT, Mr. IRELAND, Mrs. JOHNSON, Mr. ORTIZ, Ms. SNOWE, Mr. SHUSTER, Mr. TAYLOR, Mr. THOMAS of Georgia, and Mr. YOUNG of Florida.

H.R. 37: Mr. HATCHER, Mr. MCEWEN, Ms. OAKAR, and Mr. WALGREN.

H.R. 38: Mr. KEMP, Mr. PARRIS, Mr. BADHAM, Mr. HILLIS, Mr. RITTER, Mr. COUGHLIN, and Mr. FORD of Tennessee.

H.R. 62: Mr. BUSTAMANTE.

H.R. 230: Mr. SIKORSKI, Mr. MILLER of Washington, Mr. LEACH of Iowa, Mr. STOKES, Mr. ATKINS, Mr. LEHMAN of Florida, and Mr. KOLTER.

H.R. 232: Mr. FAZIO, Mr. MOAKLEY, and Mr. SOLARZ.

H.R. 237: Mr. BEILENSON, Mr. BEREUTER, Mr. BONKER, Mr. COELHO, Mr. FOLEY, Mr. HYDE, Mr. IRELAND, Mr. LEACH, of Iowa, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. OLIN, Mr. SLATTERY, and Mr. SWIFT.

H.R. 281: Mr. AKAKA, Mr. DOWDY of Mississippi, Mr. VISCLOSKY, and Mr. SEIBERLING.

H.R. 333: Mr. SWEENEY and Mr. ROWLAND of Georgia.

H.R. 479: Mrs. MEYERS of Kansas and Mr. STRATTON.

H.R. 480: Mr. BUSTAMANTE.

H.R. 567: Mr. SMITH of New Hampshire.

H.R. 593: Mr. LEHMAN of California.

H.R. 822: Mr. OLIN, Mr. ROBINSON, Mr. COLEMAN of Texas, Mr. RANGEL, and Mr. RAHALL.

H.R. 867: Mr. RAHALL.

H.R. 935: Mr. CHANDLER, Mr. STANGELAND, Mr. GALLO, Mr. MITCHELL, Mr. GUNDERSON, Mr. GUARINI, Mr. CONYERS, Mr. EDWARDS of California, Mr. DAUB, Mr. OWENS, Mr. VISCLOSKY, and Mr. SHAW.

H.R. 980: Mrs. BENTLEY and Mr. ERDREICH.

H.R. 997: Mr. MINETA.

H.R. 1068: Mr. FAZIO and Mr. MARKEY.

H.R. 1145: Mrs. BURTON of California, Mr. EDWARDS of California, Mr. JEFFORDS, Mr. DANIEL, Mr. FEIGHAN, and Mr. MOODY.

H.R. 1200: Mr. BATES and Mr. RITTER.

H.R. 1222: Mr. CLINGER.

H.R. 1272: Mr. OWENS, Mr. WEISS, and Mr. WALGREN.

H.R. 1279: Mr. LEHMAN of California, Mr. SABO, Mr. LOWRY of Washington, Mr. TALLON, Mr. MCKINNEY, Mr. CARPER, Mr. STOKES, Mr. DORGAN of North Dakota, Ms. OAKAR, Mr. DASCHLE, Mr. HOYER, Mr. FLIPPO, Mr. ROE, Mr. DYSON, Mr. PERKINS, and Mr. ROBINSON.

H.R. 1298: Mr. MINETA.

H.R. 1309: Mr. CLAY.

H.R. 1355: Mr. BEDELL and Mr. GRAY of Illinois.

H.R. 1382: Mr. DIXON, Mr. VOLKMER, and Mr. MILLER of California.

H.R. 1423: Mr. YOUNG of Alaska and Mr. KASICH.

H.R. 1595: Mr. SCHULZE.

H.R. 1608: Mr. VANDER JAGT and Mrs. HOLT.

H.R. 1613: Mr. JEFFORDS, Mr. QUILLEN, Mr. FORD of Tennessee, and Mr. WOLPE.

H.R. 1615: Mr. WILLIAMS, Ms. MIKULSKI, and Mr. MCDADE.

H.R. 1616: Mr. BOLAND, Mr. RODINO, Mr. DINGELL, Mr. DELLUMS, Mr. HAWKINS, Mr. HORTON, Mrs. LLOYD, Mr. BEDELL, Mr. KILDEE, Mr. CONYERS, Mr. TRAFICANT, Mr. MARKEY, Mr. OWENS, Mr. COYNE, Mr. SAVAGE, Ms. OAKAR, Mr. RANGEL, Mr. DOWNEY of New York, Mr. MOAKLEY, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. STOKES, Mr. MARTINEZ, Mr. TRAXLER, Mr. LEVIN of Michigan, Mr. MITCHELL, Mr. ROYBAL, Mr. BOEHLERT, Mr. RUSSO, Mr. MAVROULES, Mr. WEISS, Mr. EDGAR, Mr. BIAGGI, Mr. HERTEL of Michigan, Mrs. SCHROEDER, Mr. BONIOR of Michigan, Mr. DYMALLY, Mr. OBERSTAR, Mr. KLECZKA, Mr. FRANK, Mr. HAYES, Mr. RICHARDSON, Mr. LEVINE of California, Mr. EVANS of Illinois, Mr. KOLTER, Mrs. BURTON of California, Mr. STARK, Mr. MURPHY, Mr. BERMAN, Mr. RAHALL, Mr. NOWAK, Mr. WILLIAMS, Mr. DURBIN, Mr. CROCKETT, Mr. STUDDS, Mrs. SCHNEIDER, Mr. SABO, Mrs. COLLINS, Mr. GUARINI, Mr. WOLPE, Mr. MOODY, Mr. DAVIS, Mr. GAYDOS, Ms. KAPTUR, and Mr. WISE.

H.R. 1619: Mr. SCHULZE, Mr. ANTHONY, Mr. FLIPPO, Mr. DUNCAN, Mr. BEVILL, Mr. FUQUA, Mr. IRELAND, Mr. FAZIO, Ms. KAPTUR, Mr. LEHMAN of Florida, and Mr. VANDER JAGT.

H.R. 1682: Mr. SHUMWAY, Mr. MARTINEZ, and Mr. KOLTER.

H.R. 1720: Mr. LEACH of Iowa, and Mr. DORGAN of North Dakota.

H.R. 1769: Mr. LEATH of Texas, and Mr. SPRATT.

H.R. 1805: Mr. CHANDLER, Mr. VENTO, Mr. MRAZEK, Mrs. BENTLEY, Mr. BERMAN, Mr. BROYHILL, Mr. CONTE, Mr. CRANE, Mr. DASCHLE, Mr. DANIEL, Mr. DANNEMEYER, Mr. DREIER of California, Mr. FISH, Mr. GARCIA, Mr. GLICKMAN, Mr. HUGHES, Ms. KAPTUR, Mr. LAGOMARSINO, Mr. MCGRATH, Mr. MONSON, Mr. MOORHEAD, Mr. ROWLAND of Connecticut, and Mr. SHUMWAY.

H.R. 1893: Mr. HENRY, Mr. SCHAEFER, Mr. ROBERT F. SMITH, Mr. NIELSEN of Utah, Mr. DICKINSON, Mr. WEBER, and Mr. FRENZEL.

H.R. 1911: Mr. REID, Mrs. BENTLEY, and Mr. KASICH.

H.R. 1918: Mr. ST GERMAIN.

H.R. 1950. Mr. RAHALL, Mr. HOWARD, Mr. CONYERS, Mr. PERKINS, Mr. KINDNESS, Mr. MURPHY, Mr. WILSON, Mr. OWENS, Mr. EVANS of Illinois, Mr. NOWAK, Mr. STOKES, Mr. HAWKINS, Mr. TOWNS, Mr. FORD of Michigan, Mr. GAYDOS, Mr. HENRY, Mr. TORRICELLI, Mr. FORD of Tennessee, Mr. EDGAR, Mr. FAZIO, Mr. BONIOR of Michigan, Mr. MATSUI, Mr. SUNDQUIST, Ms. KAPTUR, and Mr. LUNDINE.

H.R. 1980: Mr. FAUNTROY, Mrs. COLLINS, and Mrs. BOGGS.

H.R. 1992: Mr. SOLARZ.

H.R. 2007: Mr. CONYERS, Mr. WEBER, Mr. DREIER of California, Mr. FRANK, Mr. LUNGREN, Mr. DIOGUARDI, Mr. SAXTON, Mr. DURBIN, Mr. PORTER, Mr. KOLBE, Mr. ECKART of Ohio, Mr. LIGHTFOOT, Mr. DASCHLE, Mr. CLINGER, Ms. KAPTUR, and Mr. SHUMWAY.

H.R. 2069: Mr. GLICKMAN, Mrs. ROUKEMA, Mr. MRAZEK, Mr. BADHAM, and Mr. BRYANT.

H.R. 2080: Mr. BONIOR of Michigan, Mr. DURBIN, Mr. OWENS, Mr. RANGEL, Mr. HEFTEL of Hawaii, Mr. BARNES, Mr. CLINGER, Mr. OBERSTAR, Mr. RICHARDSON, Mr. DICKS, Mr. DOWDY of Mississippi, Mr. TORRICELLI, Mr. COYNE, Mr. WALGREN, Mr. GILMAN, Mr. SIKORSKI, and Mr. ROYBAL.

H.R. 2098: Mr. DICKINSON.

H.R. 2132: Mr. GREEN, Mr. MANTON, Mr. FAUNTROY, Mr. SMITH of Florida, Mr. OXLEY, Mr. BENNETT, Mr. DORNAN of California, Mr. KINDNESS, Mr. GALLO, Mr. ROSE, Mr. BEDELL, Mr. ROE, Mr. WORTLEY, Mr. KLECZKA, Mr. DWYER of New Jersey, Mrs. JOHNSON, Mr. DOWNEY of New York, Mr. DAUB, Mr. GILMAN, Mr. BRYANT, Mr. PARRIS, and Mr. RANGEL.

H.R. 2172: Mr. GREEN.

H.R. 2190: Ms. KAPTUR, Mr. DOWNEY of New York, Mr. SMITH of New Jersey, and Mr. BRYANT.

H.R. 2205: Mr. ANDREWS, Mr. BLAZ, Mr. DASCHLE, Mr. DWYER of New Jersey, Mr. EDGAR, Mr. RALPH M. HALL, Mr. HEFTEL of Hawaii, Mr. HOWARD, Ms. KAPTUR, Mr. KOLTER, Mr. LEVINE of California, Mrs. LLOYD, Mr. MARTINEZ, Mr. MOLLOHAN, Mr. MORRISON of Connecticut, Ms. OAKAR, Mr. PACKARD, Mr. PORTER, Mr. SABO, and Mr. SPRATT.

H.R. 2216: Mr. BARNES, Mr. GARCIA, Mr. HOWARD, Ms. OAKAR, Mr. LANTOS, Mr. LAGOMARSINO, Mr. BIAGGI, Mr. MACKAY, Mr. BENNETT, and Mr. DASCHLE.

H.R. 2235: Mr. GUARINI, Mr. KOLTER, Mr. FAZIO, Mr. SOLARZ, Mr. FRANK, Mr. ORTIZ, and Mr. DIXON.

H.R. 2262: Mr. EDWARDS of California, Mr. MOODY, Mr. DIOGUARDI, Mr. MINETA, Mr. STOKES, Mr. DE LA GARZA, and Mr. FRANK.

H.R. 2277: Mrs. SMITH of Nebraska, and Mr. ROBERT F. SMITH.

H.R. 2329: Mr. TOWNS, Mr. MOODY, and Mr. GRAY of Pennsylvania.

H.R. 2346: Mr. KINDNESS, Mr. HORTON, Mr. LAGOMARSINO, Mr. DAUB, Mr. WORTLEY, and Mr. CONTE.

H.R. 2354: Mr. DUNCAN.

H.R. 2357: Mr. STRANG, Mr. FRENZEL, Mr. STENHOLM, Mr. KRAMER, and Mr. EMERSON.

H.R. 2361: Mr. MORRISON of Connecticut, Mr. STOKES, Mr. BERMAN, Mr. SEIBERLING, Mr. STUDDS, and Mr. LOWRY of Washington.

H.R. 2365: Mr. MITCHELL, Mr. YATES, Mr. OWENS, Mrs. COLLINS, Mr. BARNES, Mr. FRANK, Mr. WYDEN, Mr. EDWARDS, of California, Mr. CROCKETT, and Mr. BONER, of Tennessee.

H.R. 2370: Mr. SEIBERLING.

H.R. 2371: Mr. STUDDS, Mr. ROE, Mr. FISH, and Mr. FASCELL.

H.R. 2385: Mr. SIKORSKI.

H.R. 2401: Mr. WIRTH, Mr. LEHMAN of California, and Mr. RANGEL.

H.R. 2451: Mr. MATSUI, Mr. NICHOLS, Mr. BEVILL, Mrs. BURTON of California, Mrs. BENTLEY, Mr. LIPINSKY, Mr. RUDD, Mr. LELAND, Mr. ANDREWS, Mr. BROOKS, Mr. WRIGHT, Mr. SAM B. HALL, Jr., Mr. RALPH M. HALL, Mr. WEAVER, Mr. BRYANT, and Mr. FROST.

H.R. 2495: Mr. RAHALL.

H.R. 2524: Mr. DE LA GARZA.

H.J. Res. 3: Mr. PERKINS, Mr. GUARINI, Mr. STAGGERS, and Mr. ATKINS.

H.J. Res. 79: Mr. TAUZIN, Mr. KOSTMAYER, Mr. LATTA, Mr. LOEFFLER, Mr. EDWARDS of Oklahoma, Mr. MCDADE, Mr. MACK, Mr. MOAKLEY, Mr. MOORHEAD, and Mr. PEPPER.

H.J. Res. 164: Mr. AKAKA, Mr. BARNES, Mrs. BENTLEY, Mr. COATS, Mr. FEIGHAN, Mr. GARCIA, Mr. GRAY of Illinois, Mr. HENRY, Ms. KAPTUR, Mr. KLECZKA, Mr. LOWERY of California, Mr. MARTIN of New York, Mr. MOAKLEY, Mr. MRAZEK, Mr. REGULA, Mr. SCHAEFER, Mr. SHELBY, Mr. STANGELAND, and Mr. WOLPE.

H.J. Res. 169: Mr. DIOGUARDI, Mr. MONTGOMERY, Mr. COOPER, Mr. CAMPBELL, Mr. YOUNG of Alaska, Mr. BOSCO, Mr. KANJORSKI, Mr. KOSTMAYER, Mr. CLAY, Mr. ROSE, Mr. MATSUI, Mr. BARNARD, Mr. BARTLETT, Mr. GUNDERSON, Mr. STOKES, Mr. REGULA, Mr. DAVIS, Mr. EDGAR, Mr. OBERSTAR, Mr. BENNETT, and Mr. RAY.

H.J. Res. 234: Mr. ORTIZ, Mr. GARCIA, Mr. DEWINE, Mr. WYDEN, Mr. HATCHER, and Mr. RAHALL.

H.J. Res. 243: Mr. ROE, Mr. WORTLEY, Mr. DORNAN of California, Mr. FAZIO, Mr. THOMAS of Georgia, Mr. ORTIZ, Mr. CONTE, Mr. DE LA GARZA, Mr. VALENTINE, and Mr. FEIGHAN.

H.J. Res. 250: Mr. WAXMAN, Mr. LAGOMARSINO, Mr. DIOGUARDI, Mr. KOLTER, Mr. KASICH, Mr. VOLKMER, and Ms. KAPTUR.

H.J. Res. 281: Mrs. LLOYD, Mr. FISH, Mr. HORTON, Mr. WAXMAN, Mr. WOLPE, Mr. STENHOLM, Mr. COYNE, Mr. HEFNER, Mr. EMERSON, Mr. TOWNS, Mr. HERTEL of Michigan, Mr. CONYERS, Mr. SMITH of New Jersey, Mr. WOLF, Mr. SISISKY, Mr. BROWN of California, Mr. BARNES, Mr. OWENS, Mr. LELAND, Mr. RALPH M. HALL, Mr. BATEMAN, Ms. OAKAR, Mr. BIAGGI, Mr. BOLAND, Mr. MACKAY, Mr. CARPER, Mr. COURTER, Mr. DANIEL, Mr. DICKS, Mr. DOWDY of Mississippi, Mr. DYMALLY, Mr. DASCHLE, Mr. KINDNESS, Mr. DORNAN of California, Mr. CRANE,

Mr. CHAPPIE, Mr. MARTIN of New York, Mr. SKELTON, Mr. O'BRIEN, Mr. ORTIZ, Mr. CONTE, Ms. MIKULSKI, Mr. LAGOMARSINO, Mr. GUARINI, Mrs. BOXER, Mr. LAFALCE, Mr. HENDON, Ms. KAPTUR, Mr. PERKINS, Mr. YOUNG of Florida, Mr. BUSTAMANTE, Mr. STOKES, Mr. SCHEUER, Mr. HYDE, Mr. CARR, Mr. TAUZIN, Mr. BONER of Tennessee, Mr. BROOMFIELD, Mr. HOYER, Mr. CLAY, Mr. TORRICELLI, Mr. VANDER JAGT, Mr. RODINO, Mr. PORTER, Mr. BEVILL, Mr. ERDREICH, Mr. MAZZOLI, Mr. BROYHILL, Mr. HOWARD, Mr. ROBERT F. SMITH, Mr. ENGLISH, Mr. ANTHONY, Mr. NELSON of Florida, Mr. RANGEL, Mr. VENTO, Mr. LENT, Mr. BRYANT, Mr. BLILEY, Mr. DONNELLY, Mr. SUNDQUIST, Mr. MCHUGH, Mr. DE LA GARZA, Mr. BADHAM, Mr. FLORIO, Ms. SNOWE, Mr. SAXTON, Mr. JACOBS, Mr. BEDELL, Mr. THOMAS of Georgia, Mr. FRANK, Mr. RAHALL, Mr. BERMAN, Mr. MRAZEK, Mr. LOWRY of Washington, Mr. ACKERMAN, Mr. PACKARD, Mr. DE LUGO, Mr. PEPPER, Mr. LEVIN of Michigan, and Mr. MCEWEN.

H. Con. Res. 26: Mr. CARNEY, and Mr. MCKERNAN.

H. Con. Res. 60: Ms. OAKAR and Mr. WOLPE.

H. Con. Res. 69: Mr. PANETTA, Mr. SPRATT, Mr. FORD of Tennessee, Mr. NOWAK, Mr. WYDEN, Mr. RANGEL, Mr. KEMP, Mr. JEFFORDS, Mr. SMITH of New Hampshire, Mr. BROWN of California, Mr. ANDREWS, and Mr. GALLO.

H. Con. Res. 106: Mr. FROST, Mr. FRANK, Mr. STALLINGS, Mr. THOMAS of Georgia, Mr. WILSON, and Mr. CLAY.

H. Con. Res. 120: Mr. WEISS.

H. Con. Res. 131: Mr. BARTON of Texas.

H. Res. 67: Mr. KOLTER.

H. Res. 122: Mr. RALPH M. HALL, Mr. MOLLOHAN, Mr. MARKEY, Mr. ROSE, Mr. OWENS, Mr. BUSTAMANTE, Mr. WEAVER, Mr. RICHARDSON, and Mrs. LLOYD.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 429: Mr. FORD of Michigan.

H.R. 1809: Mr. FORD of Michigan.

H.R. 1965: Mrs. BENTLEY.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

108. By the SPEAKER: Petition of the Lincoln Diocesan Counsel of Catholic Women, Lincoln, NE, relative to the rural economic crisis; to the Committee on Agriculture.

109. Also, petition of the Hernando County Board of County Commissioners, Brooksville, FL, relative to the Federal Revenue Sharing Program; to the Committee on Government Operations.

110. Also, petition of Mr. Spear, Montgomery, AL, relative to the judiciary system; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 1460

By Mr. WORTLEY:

—Page 20, strike out lines 16 through 25 and insert in lieu thereof the following:

SEC. 5. GOLD COINS.

(a) REGISTRATION AND FEE.—No South African krugerrand or any other gold coin minted in South Africa or offered for sale by the Government of South Africa may be entered into the customs territory of the United States unless and until, at the point at which the krugerrand or gold coin is entered—

(1) the krugerrand or gold coin is registered with the Secretary of the Treasury, in such form as the Secretary may prescribe, and

(2) a fee of 5 percent of the value of the krugerrand or gold coin is paid.

(b) USE OF FEES AND FINES.—It is the sense of the Congress that the amounts of the fees collected under subsection (a)(2) and the amounts of fines collected under section 9(b)(2)(B) should be used—

(1) to pay for the costs of the registration required by subsection (a)(1), and

(2) for financing scholarships, awarded on the basis of merit and financial needs, to black and other non-white South Africans for undergraduate or professional education in the United States or South Africa, particularly in those fields of study in which the percentage of qualified persons in South Africa who are non-white is substantially less than the percentage of non-white persons in the general population in South Africa.

In section 6(a)(1) and section 6(a)(2), strike out "sections 4 and 5" and insert in lieu thereof "section 4".

In section 10, insert "and" after "South Africa," and strike out ", and on the importation of krugerrands".

H. CON. RES. 152

By Mr. BROWN of Colorado:

—In paragraph (2) (relating to International Affairs (150)) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $1,400,000,000, for fiscal year 1987.

Make a corresponding change in the levels of total new budget authority, total budget outlays, and the deficit in subsection (a) of the first section and of section 2.

—In paragraph (7) (relating to Commerce and Housing Credit (370)) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease new budget authority for fiscal year 1986 by $310,000,000, for fiscal year 1987 by $429,000,000, and for fiscal year 1988 by $408,000,000.

In paragraph (7) (relating to Commerce and Housing Credit (370)) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $225,000,000, for fiscal year 1987 by $407,000,000, and for fiscal year 1988 by $337,000,000.

Make a corresponding change in the levels of total new budget authority, total budget outlays, and the deficit in subsection (a) of the first section and of section 2.

—In paragraph (17) (relating to General Government (800)) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease new budget authority for fiscal year 1986 by $173,000,000, for fiscal year 1987 by $171,000,000, and for fiscal year 1988 by $175,000,000.

In paragraph (17) (relating to General Government (800)) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $151,000,000, for fiscal year 1987 by $159,000,000, and for fiscal year 1988 by $169,000,000.

Make a corresponding change in the levels of total new budget authority, total budget outlays, and the deficit in subsection (a) of the first section and of section 2.

By Mr. DANNEMEYER:

(Amendment in the nature of a substitute.)

—Strike everything after the resolving clause and insert in lieu thereof the following:

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986 and October 1, 1987.

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1985: $736,200,000,000.
Fiscal year 1986: $793,000,000,000.
Fiscal year 1987: $865,600,000,000.
Fiscal year 1988: $953,900,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1985: $0.
Fiscal year 1986: $300,000,000.
Fiscal year 1987: $1,300,000,000.
Fiscal year 1988: $1,400,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1985: $1,055,300,000,000.
Fiscal year 1986: $1,050,900,000,000.
Fiscal year 1987: $1,117,400,000,000.
Fiscal year 1988: $1,194,900,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1985: $949,600,000,000.
Fiscal year 1986: $961,300,000,000.
Fiscal year 1987: $1,001,900,000,000.
Fiscal year 1988: $1,051,400,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1985: $213,400,000,000.
Fiscal year 1986: $168,200,000,000.
Fiscal year 1987: $136,300,000,000.
Fiscal year 1988: $97,600,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1985: $1,849,300,000,000.
Fiscal year 1986: $2,086,500,000,000.
Fiscal year 1987: $2,312,700,000,000.
Fiscal year 1988: $2,525,200,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1985: $25,500,000,000.
Fiscal year 1986: $237,200,000,000.
Fiscal year 1987: $226,200,000,000.
Fiscal year 1988: $212,600,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987 are as follows:

Fiscal year 1985:

(A) New direct loan obligations, $51,700,000,000.

(B) New primary loan guarantee commitments, $68,400,000,000.

(C) New secondary loan guarantee commitments, $53,500,000,000.

Fiscal year 1986:

(A) New direct loan obligations, $22,300,000,000.

(B) New primary loan guarantee commitments, $74,600,000,000.

(C) New secondary loan guarantee commitments, $51,100,000,000.

Fiscal year 1987:
(A) New direct loan obligations, $20,400,000,000.
(B) New primary loan guarantee commitments, $76,100,000,000.
(C) New secondary loan guarantee commitments, $51,800,000,000.
Fiscal year 1988:
(A) New direct loan obligations, $17,500,000,000.
(B) New primary loan guarantee commitments, $81,700,000,000.
(C) New secondary loan guarantee commitments, $52,100,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1985 through 1988 for each major functional category are:

(1) National Defense (050):
Fiscal year 1985:
(A) New budget authority, $292,600,000,000.
(B) Outlays, $252,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $302,500,000,000.
(B) Outlays, $273,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $325,400,000,000.
(B) Outlays, $294,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $349,900,000,000.
(B) Outlays, $316,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (15):
Fiscal year 1985:
(A) New budget authority, $24,900,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $11,100,000,000.
(D) New primary loan guarantee commitments, $10,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $17,900,000,000.
(B) Outlays, $15,900,000,000.
(C) New direct loan obligations, $6,600,000,000.
(D) New primary loan guarantee commitments, $12,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $17,800,000,000.
(B) Outlays, $14,600,000,000.
(C) New direct loan obligations, $6,800,000,000.
(D) New primary loan guarantee commitments, $12,200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $18,100,000,000.
(B) Outlays, $13,900,000,000.
(C) New direct loan obligations, $6,700,000,000.
(D) New primary loan guarantee commitments, $12,200,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):
Fiscal year 1985:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $8,900,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):
Fiscal year 1985:
(A) New budget authority, $1,900,000,000.
(B) Outlays, $6,800,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $5,500,000,000.
(B) Outlays, $5,500,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $5,200,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $300,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $4,100,000,000.
(B) Outlays, $3,400,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $500,000,000.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):
Fiscal year 1985:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $11,000,000,000.
(B) Outlays, $11,500,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitment, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $11,100,000,000.
(B) Outlays, $11,000,000,000.
(C) New direct loan obligation, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1983:
(A) New budget authority, $11,300,000,000.
(B) Outlays, $11,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(6) Agriculture (350):
Fiscal year 1985:
(A) New budget authority, $24,800,000,000.
(B) Outlays, $21,000,000,000.
(C) New direct loan obligations, $13,800,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $18,800,000,000.
(B) Outlays, $16,100,000,000.
(C) New direct loan obligations, $8,900,000,000.
(D) New primary loan guarantee commitments, $8,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $16,300,000,000.
(C) New direct loan obligations, $8,200,000,000.
(D) New primary loan guarantee commitments, $8,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $13,500,000,000.
(B) Outlays, $12,800,000,000.
(C) New direct loan obligations, $5,600,000,000.
(D) New primary loan guarantee commitments, $8,000,000,000.
(E) New secondary loan guarantee commitments, $0.

(7) Commerce and Housing Credit (370):
Fiscal year 1985:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $5,600,000,000.
(C) New direct loan obligations, $6,500,000,000.
(D) New primary loan guarantee commitments, $27,000,000,000.
(E) New secondary loan guarantee commitments, $53,500,000,000.
Fiscal year 1986:

(A) New budget authority, $7,200,000,000.
(B) Outlays, $2,600,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $30,700,000,000.
(E) New secondary loan guarantee commitments, $51,100,000,000.
Fiscal year 1987:
(A) New budget authority, $4,000,000,000.
(B) Outlays, $100,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $30,600,000,000.
(E) New secondary loan guarantee commitments, $51,800,000,000.
Fiscal year 1988:
(A) New budget authority, $4,400,000,000.
(B) Outlays, $2,100,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $32,900,000,000.
(E) New secondary loan guarantee commitments, $52,100,000,000.
(8) Transportation (400):
Fiscal year 1985:
(A) New budget authority, $29,300,000,000.
(B) Outlays, $26,000,000,000.
(C) New direct loan obligations, $300,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $22,300,000,000.
(B) Outlays, $25,100,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $22,800,000,000.
(B) Outlays, $24,300,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $23,600,000,000.
(B) Outlays, $29,000,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1985:
(A) New budget authority, $8,400,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $1,500,000,000.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,300,000,000.
(B) Outlays, $7,800,000,000.
(C) New direct loan obligations, $300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $7,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $7,400,000,000.
(B) Outlays, $7,400,000,000.
(C) New direct loan obligations, $300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment and Social Services (500):
Fiscal year 1985:
(A) New budget authority, $31,600,000,000.
(B) Outlays, $30,200,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $7,900,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $27,400,000,000.
(B) Outlays, $29,100,000,000.
(C) New direct loan obligations, $900,000,000.
(D) New primary loan guarantee commitments, $7,500,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $28,400,000,000.
(B) Outlays, $27,700,000,000.
(C) New direct loan obligations, $900,000,000.
(D) New primary loan guarantee commitments, $7,000,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $28,700,000,000.
(B) Outlays, $28,000,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New primary loan guarantee commitments, $7,700,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1985:
(A) New budget authority, $33,600,000,000.
(B) Outlays, $33,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $34,200,000,000.
(B) Outlays, $34,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $35,800,000,000.
(B) Outlays, $35,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $37,500,000,000.
(B) Outlays, $37,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medicare (570):
Fiscal year 1985:
(A) New budget authority, $71,800,000,000.
(B) Outlays, $65,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $81,600,000,000.
(B) Outlays, $68,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $91,000,000,000.
(B) Outlays, $76,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $95,000,000,000.
(B) Outlays, $85,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1985:
(A) New budget authority, $163,100,000,000.
(B) Outlays, $128,800,000,000.
(C) New direct loan obligations, $14,300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $156,300,000,000.
(B) Outlays, $119,100,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $166,500,000,000.
(B) Outlays, $123,200,000,000.
(C) New direct loan obligations, $1,400,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $175,400,000,000.
(B) Outlays, $128,600,000,000.
(C) New direct loan obligations, $600,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social security (650):
Fiscal year 1985:
(A) New budget authority, $195,500,000,000.
(B) Outlays, $189,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $207,300,000,000.
(B) Outlays, $197,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $225,300,000,000.
(B) Outlays, $206,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $265,900,000,000.
(B) Outlays, $216,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1985:
(A) New budget authority, $27,200,000,000.
(B) Outlays, $26,300,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $16,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $26,800,000,000.
(B) Outlays, $26,400,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $15,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $27,000,000,000.
(B) Outlays, $26,700,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $17,400,000,000.
(E) New secondary loan guarantee commitments, $0
Fiscal year 1988:
(A) New budget authority, $27,400,000,000.
(B) Outlays, $27,200,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $20,100,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1985:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $6,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $6,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $6,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1985:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $5,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $6,200,000,000.
(B) Outlays, $6,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) General Purpose Fiscal Assistance (850):
Fiscal year 1985:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $1,600,000,000.
(B) Outlays, $2,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $1,700,000,000.
(B) Outlays, $1,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $1,700,000,000.
(B) Outlays, $1,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Interest (900):
Fiscal year 1985:
(A) New budget authority, $129,700,000,000.
(B) Outlays, $129,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $140,300,000,000.
(B) Outlays, $140,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $149,600,000,000.
(B) Outlays, $149,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $151,000,000,000.
(B) Outlays, $151,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Allowances (920):
Fiscal year 1985:
(A) New budget authority, $300,000,000.
(B) Outlays, $300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, −$2,400,000,000.
(B) Outlays, −$800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, −$1,700,000,000.
(B) Outlays, −$500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, −$500,000,000.
(B) Outlays, $400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1985:
(A) New budget authority, −$32,400,000,000.
(B) Outlays, −$32,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, −$35,100,000,000.

(B) Outlays, −$35,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, −$38,200,000,000.
(B) Outlays, −$38,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, −$41,500,000,000.
(B) Outlays, −$41,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

RECONCILIATION

SEC. 2. (a) Not later than June 30, 1985, the House committees named in subsections (b) through (q)(1) of this section shall submit their recommendations to the House Budget Committee. After receiving these recommendations, the Committee on the Budget shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $4,200,000,000 and outlays by $4,200,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $9,500,000,000 and outlays by $9,500,000,000 in fiscal year 1987; and requires decreases of budget authority by $12,000,000,000 and outlays by $12,000,000,000 in fiscal year 1988.

(c) The House Committee on Armed Services shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $0 and outlays by $500,000,000 in fiscal year 1986; further the congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $0 and outlays by $900,000,000 in fiscal year 1987; and requires decreases of budget authority by $0 and outlays by $1,100,000,000 in fiscal year 1988.

(d) The House Committee on Banking, Finance, and Urban Affairs shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $3,000,000,000 and outlays by $1,800,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $3,700,000,000 and outlays by $2,500,000,000 in fiscal year 1987; and requires decreases of budget authority by $4,800,000,000 and outlays by $2,800,000,000 in fiscal year 1988.

(e) The House Committee on Education and Labor shall report changes in laws within the jurisdication of that committee which provide spending authority as defined in section (410(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $1,500,000,000 and outlays by $1,500,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $2,500,000,000 and outlays by $2,500,000,000 in fiscal year 1987; and requires decreases of budget authority by $2,700,000,000 in fiscal year 1988.

(f) The House Committee on Energy and Commerce shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $3,500,000,000 and outlays by $3,500,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $4,900,000,000 and outlays by $4,900,000,000 in fiscal year 1987; and requires decreases of budget authority by $6,000,000,000 and outlays by $6,000,000,000 in fiscal year 1988.

(g) The House Committee on Foreign Affairs shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $200,000,000 and outlays by $100,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $300,000,000 and outlays by $100,000,000 in fiscal year 1987; and requires decreases of budget authority by $300,000,000 and outlays by $100,000,000 in fiscal year 1988.

(h) The House Committee on Government Operations shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $0 and outlays by $2,300,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $0 and outlays by $4,700,000,000 in fiscal year 1987; and requires decreases of budget authority by $0 and outlays by $5,000,000,000 in fiscal year 1988.

(i) The House Committee on Interior and Insular Affairs shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1987; and requires decreases of budget authority by $100,000,000 and outlays by $100,000,000 in fiscal year 1988.

(j) The House Committee on the Judiciary shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $0 and outlays by $0 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $0 and outlays by $0 in fiscal year 1987 and requires decreases of budget authority by $0 and outlays by $0 in fiscal year 1988.

(k) The House Committee on Merchant Marine and Fisheries shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $0 and outlays by $900,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $0 and outlays by $900,000,000 in fiscal year 1987; and requires decreases of budget authority by $0 and outlays by $1,000,000,000 in fiscal year 1988.

(l) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $0 and outlays by $1,200,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $0 and outlays by $3,200,000,000 in fiscal year 1987; and requires decreases of budget authority by $0 and outlays by $3,100,000,000 in fiscal year 1988.

(m) The House Committee on Public Works and Transportation shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $400,000,000 and outlays by $400,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $400,000,000 and outlays by $400,000,000 in fiscal year 1987; and requires decreases of budget authority by $500,000,000 and outlays by $500,000,000 in fiscal year 1988.

(n) The House Committee on Science and Technology shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $0 and outlays by $0 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $0 and outlays by $0 in fiscal year 1987; and requires decreases of budget authority by $0 and outlays by $0 in fiscal year 1988.

(o) The House Committee on Small Business shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $200,000,000 and outlays by $200,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $800,000,000 and outlays by $800,000,000 in fiscal year 1987; and requires decreases of budget authority by $1,200,000,000 and outlays by $1,200,000,000 in fiscal year 1988.

(p) The House Committee on Veterans Affairs shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $200,000,000 and out-

lays by $200,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $600,000,000 and outlays by $600,000,000 in fiscal year 1987; and requires decreases of budget authority by $900,000,000 and outlays by $900,000,000 in fiscal year 1988.

(q) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section (401)(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $2,300,000,000 and outlays by $5,500,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $4,000,000,000 and outlays by $9,200,000,000 in fiscal year 1987; and requires decreases of budget authority by $5,600,000,000 and outlays by $11,400,000,000 in fiscal year 1988.

(r) the Senate Committee on Agriculture, Nutrition, and Forestry shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $1,900,000,000 in budget authority and $1,800,000,000 in outlays, to reduce spending for the fiscal year 1987 by $5,000,000,000 in budget authority and $5,900,000,000 in outlays, and to reduce spending for fiscal year 1988 by $4,200,000,000 in budget authority and $7,600,000,000 in outlays;

(s) the Senate Committee on Armed Services shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $0 in budget authority and $500,000,000 in outlays, to reduce spending for the fiscal year 1987 by $0 in budget authority and $900,000,000 in outlays, and to reduce spending for fiscal year 1988 by $0 in budget authority and $1,100,000,000 in outlays;

(t) the Senate Committee on Banking, Housing, and Urban Affairs shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $3,000,000,000 in budget authority and $1,800,000,000 in outlays, to reduce spending for the fiscal year 1987 by $3,700,000,000 in budget authority and $2,500,000,000 in outlays, and to reduce spending for the fiscal year 1988 by $4,800,000,000 in budget authority and $2,800,000,000 in outlays;

(u) the Senate Committee on Commerce, Science, and Transportation shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $2,300,000,000 in budget authority and $2,300,000,000 in outlays, to reduce spending for fiscal year 1987 by $2,600,000,000 in budget authority and $2,600,000,000 in outlays, and to reduce spending for the fiscal year 1988 by $2,800,000,000 in budget authority and $2,800,000,000 in outlays.

(v) the Senate Committee on Energy and Natural Resources shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $2,100,000,000 in budget authority and $2,100,000,000 in outlays, to reduce spending for the fiscal year 1987 by $2,200,000,000 in budget authority and $2,200,000,000 in outlays, and to reduce spending for fiscal year 1988 by $2,200,000,000 in budget authority and 2,200,000,000 in outlays;

(w) the Senate Committee on Environment and Public Works shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $0 in budget authority and $0 in outlays, to reduce spending for the fiscal year 1987 by $0 in budget authority and $0 in outlays, and to reduce spending in the fiscal year 1988 by $0 in budget authority and $0 in outlays;

(x) the Senate Committee on Finance shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $2,300,000,000 in budget authority and $8,700,000,000 in outlays, to reduce spending for the fiscal year 1987 by $4,000,000,000 in budget authority and $15,800,000,000 in outlays, and to reduce spending for fiscal year 1988 by $5,600,000,000 in budget authority and $19,500,000,000 in outlays;

(y) the Senate Committee on Foreign Relations shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $200,000,000 in budget authority and $100,000,000 in outlays, to reduce spending for the fiscal year 1987 by $300,000,000 in budget authority and $100,000,000 in outlays, and to reduce spending for the fiscal year 1988 by $300,000,000 in budget authority and $100,000,000 in outlays;

(z) the Senate Committee on Governmental Affairs shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $0 in budget authority and $1,200,000,000 in outlays, to reduce spending for the fiscal year 1987 by $0 in budget authority and $3,200,000,000 in outlays, and to reduce spending for fiscal year 1988 by $0 in budget authority and $3,100,000,000 in outlays;

(aa) The Senate Committee on the Judiciary shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $0 in budget authority and $0 in outlays, to reduce spending for the fiscal year 1987 by $0 in budget authority and $0 in outlays, and to reduce spending for the fiscal year 1988 by $0 in budget authority and $0 in outlays;

(bb) the Senate Committee on Labor and Human Resources shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $1,300,000,000 in budget authority and $1,300,000,000 in outlays to reduce spending for the fiscal year 1987 by $2,400,000,000 in budget authority and $2,400,000,000 in outlays, and to reduce spending for fiscal year 1988 by $2,500,000,000 in budget authority and $2,500,000,000 in outlays;

(cc) the Senate Committee on Small Business shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $200,000,000 in budget authority and $200,000,000 outlays, to reduce spending for the fiscal year 1987 by $800,000,000 in budget authority and $800,000,000 in outlays, and to reduce spending for fiscal year 1988 by $1,200,000,000 in budget authority and $1,200,000,000 in outlays;

(dd) the Senate Committee on Veterans' Affairs shall recommend program changes in laws within its jurisdiction to reduce spending for fiscal year 1986 by $200,000,000 in budget authority and $200,000,000 in outlays, to reduce spending for the fiscal year 1987 by $600,000,000 in budget authority and

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By Mr. LATTA:

(Amendment in the nature of a substitute.)

—Strike out all after the resolving clause and insert in lieu thereof the following:

That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1985 is hereby revised and replaced, the first concurrent resolution on the budget for fiscal year 1986 is hereby established, and the appropriate budgetary levels for fiscal years 1987 and 1988 are hereby set forth:

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1985: $736,050,000,000.
Fiscal year 1986: $793,500,000,000.
Fiscal year 1987: $864,850,000,000.
Fiscal year 1988: $953,350,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1985: $ * * *.
Fiscal year 1986: $850,000,000.
Fiscal year 1987: $550,000,000.
Fiscal year 1988: $850,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $44,200,000.
Fiscal year 1986: $51,000,000,000.
Fiscal year 1987: $56,100,000,000.
Fiscal year 1988: $61,300,000,000.

and the amounts for Federal Insurance Contributions Act revenues for old-age, survivors, and disability insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $186,150,000,000.
Fiscal year 1986: $200,700,000,000.
Fiscal year 1987: $216,850,000,000.
Fiscal year 1988: $248,250,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1985: $1,060,500,000,000.
Fiscal year 1986: $1,064,850,000,000.
Fiscal year 1987: $1,140,400,000,000.
Fiscal year 1988: $1,218,000,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1985: $953,500,000,000.
Fiscal year 1986: $966,100,000,000.
Fiscal year 1987: $1,025,000,000,000.
Fiscal year 1988: $1,075,050,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1985: $217,450,000,000.
Fiscal year 1986: $172,600,000,000.
Fiscal year 1987: $160,150,000,000.
Fiscal year 1988: $121,700,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1985: $1,857,400,000,000.
Fiscal year 1986: $2,089,700,000,000.
Fiscal year 1987: $2,320,000,000,000.
Fiscal year 1988: $2,536,000,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1985: $33,600,000,000.
Fiscal year 1986: $232,300,000,000.
Fiscal year 1987: $231,000,000,000.
Fiscal year 1988: $215,800,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987, are as follows:

Fiscal year 1985:

(A) New direct loan obligations, $53,500,000,000.

(B) New primary loan guarantee commitments, $69,300,000,000.

(C) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1986:
(A) New direct loan obligations, $33,900,000,000.
(B) New primary loan guarantee commitments, $73,600,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1987:
(A) New direct loan obligations, $32,700,000,000.
(B) New primary loan guarantee commitments, $73,600,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1988:
(A) New direct loan obligations, $32,200,000,000.
(B) New primary loan guarantee commitments, $78,300,000,000.
(C) New secondary loan guarantee commitments, $68,200,000,000.
(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new loan guarantee commitments for fiscal years 1985 through 1988 for each major functional category are:
(1) National Defense (050):
Fiscal year 1985:
(A) New budget authority, $291,550,000,000.
(B) Outlays, $252,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $302,500,000,000.
(B) Outlays, $270,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $323,400,000,000.
(B) Outlays, $288,650,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $346,800,000,000.
(B) Outlays, $308,450,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(2) International Affairs (150):
Fiscal year 1985:
(A) New budget authority, $27,550,000,000.
(B) Outlays, $19,400,000,000.
(C) New direct loan obligations, $11,500,000,000.
(D) New primary loan guarantee commitments, $10,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $20,100,000,000.
(B) Outlays, $18,800,000,000.
(C) New direct loan obligations, $9,400,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $4,450,000,000.
(B) Outlays, $16,650,000,000.
(C) New direct loan obligations, $9,000,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $19,550,000,000.
(B) Outlays, $15,700,000,000.
(C) New direct loan obligations, $9,200,000,000.
(D) New primary loan guarantee commitments, $12,300,000,000.
(E) New secondary loan guarantee commitment, $0.
(3) General Science, Space, and Technology (250):
Fiscal year 1985:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $8,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $8,650,000,000.
(B) Outlays, $8,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $8,650,000,000.
(B) Outlays, $8,550,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $8,700,000,000.
(B) Outlays, $8,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1985:
(A) New budget authority, $1,900,000,000.
(B) Outlays, $7,050,000,000.
(C) New direct loan obligations, $2,600,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $4,500,000,000.
(B) Outlays, $4,750,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $4,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $4,300,000,000.
(B) Outlays, $3,850,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $3,850,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1985:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $12,450,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $12,150,000,000.
(B) Outlays, $12,000,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $12,100,000,000.
(B) Outlays, $11,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1985:
(A) New budget authority, $28,750,000,000.
(B) Outlays, $21,000,000,000.
(C) New direct loan obligations, $13,800,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $17,600,000,000.
(B) Outlays, $15,000,000,000.
(C) New direct loan obligations, $14,300,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $18,350,000,000.
(B) Outlays, $16,850,000,000.
(C) New direct loan obligations, $13,100,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $14,800,000,000.
(C) New direct loan obligations, $12,800,000,000.
(D) New primary loan guarantee commitments, $5,800,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1985:
(A) New budget authority, $12,800,000,000.

(B) Outlays, $5,850,000,000.
(C) New direct loan obligations, $6,600,000,000.
(D) New primary loan guarantee commitments, $27,000,000,000.
(E) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1986:
(A) New budget authority, $7,400,000,000.
(B) Outlays, $3,650,000,000.
(C) New direct loan obligations, $2,700,000,000.
(D) New primary loan guarantee commitments, $26,500,000,000.
(E) New secondary loan guarantee commitments, $68,200,000,000.
Fiscal year 1987:
(A) New budget authority, $7,600,000,000.
(B) Outlays, $3,450,000,000.
(C) New direct loan obligations, $12,800,000,000.
(D) New primary loan guarantee commitments, $28,100,000,000.
(E) New secondary loan guarantee commitments, $68,100,000,000.
Fiscal year 1988:
(A) New budget authority, $7,650,000,000.
(B) Outlays, $5,100,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $24,800,000,000.
(E) New secondary loan guarantee commitments, $68,200,000,000.
(8) Transportation (400):
Fiscal year 1985:
(A) New budget authority, $29,350,000,000.
(B) Outlays, $26,200,000,000.
(C) New direct loan obligations, $3,000,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $26,600,000,000.
(B) Outlays, $25,800,000,000.
(C) New direct loan obligations, $200,000,000.
(D) New primary loan guaranteee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $27,650,000,000.
(B) Outlays, $27,150,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $27,050,000,000.
(B) Outlays, $26,700,000,000.
(C) New direct loan obligations, $100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1985:
(A) New budget authority, $8,400,000,000.
(B) Outlays, $8,750,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,950,000,000.
(B) Outlays, $8,100,000,000.
(C) New direct loan obligations, $900,000,000.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $7,050,000,000.
(B) Outlays, $7,400,000,000.
(C) New direct loan obligations, $800,000,000.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $7,600,000,000.
(B) Outlays, $6,900,000,000.
(C) New direct loan obligations, $900,000,000.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1985:
(A) New budget authority, $32,650,000,000.
(B) Outlays, $31,100,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $8,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $31,400,000,000.
(B) Outlays, $30,800,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $9,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $32,300,000,000.
(B) Outlays, $31,400,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $9,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $32,900,000,000.
(B) Outlays, $3,100,000,000.
(C) New direct loan obligations, $1,000,000,000.
(D) New primary loan guarantee commitments, $9,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1985:
(A) New budget authority, $33,550,000,000.
(B) Outlays, $33,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $35,400,000,000.
(B) Outlays, $35,450,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $37,750,000,000.
(B) Outlays, $37,550,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $40,250,000,000.
(B) Outlays, $39,850,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medical Insurance (570):
Fiscal year 1985:
(A) New budget authority, $71,750,000,000.
(B) Outlays, $65,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $81,950,000,000.
(B) Outlays, $68,250,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $91,550,000.
(B) Outlays, $75,550,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $95,550,000,000.
(B) Outlays, $84,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1985:
(A) New budget authority, $160,500,000,000.
(B) Outlays, $129,200,000,000.
(C) New direct loan obligations, $14,300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $156,950,000,000.
(B) Outlays, $119,900,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $166,050,000,000.
(B) Outlays, $125,600,000,000.
(C) New direct loan obligations, $2,300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $174,350,000,000.
(B) Outlays, $131,450,000,000.
(C) New direct loan obligations, $1,800,000,000.
(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1985:
(A) New budget authority, $195,500,000,000.
(B) Outlays, $189,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $207,600,000,000.
(B) Outlays, $200,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $224,850,000,000.
(B) Outlays, $213,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $265,050,000,000.
(B) Outlays, $228,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1985:
(A) New budget authority, $27,400,000,000.
(B) Outlays, $26,500,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $16,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $27,350,000,000.
(B) Outlays, $26,550,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $15,300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $27,300,000,000.
(B) Outlays, $26,750,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $17,400,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $27,550,000,000.
(B) Outlays, $27,150,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $20,100,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1985:
(A) New budget authority, $6,650,000,000.
(B) Outlays, $6,450,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $6,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $6,750,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $6,850,000,000.
(B) Outlays, $6,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1985:
(A) New budget authority, $5,800,000,000.
(B) Outlays, $5,850,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $5,350,000,000.
(B) Outlays, $5,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $5,250,000,000.
(B) Outlays, $5,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $5,350,000,000.
(B) Outlays, $5,350,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) General Purpose Fiscal Assistance (850):
Fiscal year 1985:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $3,500,000,000.
(B) Outlays, $4,150,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $3,350,000,000.
(B) Outlays, $3,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $2,750,000,000.
(B) Outlays, $2,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1985:
(A) New budget authority, $129,950,000,000.
(B) Outlays, $129,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $142,750,000,000.
(B) Outlays, $142,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $153,100,000,000.
(B) Outlays, $153,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $156,300,000,000.
(B) Outlays, $156,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Allowances (920):
Fiscal year 1985:
(A) New budget authority, $300,000,000.
(B) Outlays, $300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, −$650,000,000.
(B) Outlays, −$1,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $150,000,000.
(B) Outlays, −$2,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $1,500,000,000.
(B) Outlays, −$1,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1985:
(A) New budget authority, −$32,350,000,000.
(B) Outlays, −$32,350,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, −$39,800,000,000.
(B) Outlays, −$39,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, −$36,600,000,000.
(B) Outlays, −$36,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, −$39,800,000,000.
(B) Outlays, −$39,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

RECONCILIATION

SEC. 2. (a) Not later than June 30, 1985, the committees named in subsections (b) through (m) of this section shall submit their recommendations to the Committees on the Budget of their respective Houses. After receiving those recommendations, the Committees on the Budget shall report to the House and Senate a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

(b) The House Committee on Agriculture shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $2,785,000,000 and outlays by $2,665,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $2,385,000,000 in budget authority and $2,898,000,000 in outlays in fiscal year 1987; and requires decreases of $4,611,000,000 in budget authority and $5,196,000,000 in outlays in fiscal year 1988.

(c) The House Committee on Armed Services shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $0 and outlays by $62,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $0 in budget authority and $183,000,000 in outlays in fiscal year 1987; and requires decreases of $0 in budget authority and $308,000,000 in outlays in fiscal year 1988.

(d) The House Committee on Banking, Finance & Urban Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $3,916,000,000 and outlays by $447,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $3,596,000,000 in budget authority and $1,643,000,000 in outlays in fiscal year 1987; and requires decreases of $3,595,000,000 in budget authority and $2,380,000,000 in outlays in fiscal year 1988.

(e) The House Committee on Education & Labor shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $229,000,000 and outlays by $432,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $332,000,000 and outlays by $518,000,000 in fiscal year 1987; and requires decreases of budget authority by $486,000,000 and outlays by $707,000,000 in fiscal year 1988.

(f) The House Committee on Energy & Commerce shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $1,664,000,000 and outlays by $4,747,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $278,000,000 in budget authority and $4,477,000,000 in outlays in fiscal year 1987; and requires decreases of $131,000,000 in budget authority and $5,491,000,000 in outlays in fiscal year 1988.

(g) The House Committee on Government Operations shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $2,667,000,000 and outlays by $2,000,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $3,077,000,000 and outlays by $2,974,000,000 in fiscal year 1987; and requires decreases of budget authority by $4,005,000,000 and outlays by $3,772,000,000 in fiscal year 1988.

(h) The House Committee on Interior & Insular Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $610,000,000 and outlays by $555,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $621,000,000 in budget authority and $604,000,000 in outlays in fiscal year 1987; and requires decreases of $652,000,000 in budget authority and $646,000,000 in outlays in fiscal year 1988.

(i) The House Committee on Merchant Marine & Fisheries shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $4,364,000,000 and outlays by $4,364,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires increases of $1,331,000,000 in budget authority and $1,331,000,000 in outlays in fiscal year 1987; and requires increases of $877,000,000 in budget authority and $877,000,000 in outlays in fiscal year 1988.

(j) The House Committee on Post Office & Civil Service shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $60,000,000 and outlays by $60,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $140,000,000 and outlays by $140,000,000 in fiscal year 1987; and requires decreases of budget authority by $240,000,000 and outlays by $240,000,000 in fiscal year 1988.

(k) The House Committee on Public Works & Transportation shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $611,000,000 and outlays by $620,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $1,301,000,000 in budget authority and $1,697,000,000 in outlays in fiscal year 1987; and requires decreases of $1,892,000,000 in budget authority and $2,377,000,000 in outlays in fiscal year 1988.

(l) The House Committee on Veterans Affairs shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $162,000,000 and outlays by $348,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $392,000,000 and outlays by $632,000,000 in fiscal year 1987; and requires decreases of budget authority by $472,000,000 and outlays by $727,000,000 in fiscal year 1988.

(m) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority by $923,000,000 and outlays by $3,923,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of budget authority by $743,000,000 and outlays by $4,793,000,000 in fiscal year 1987; and requires decreases of budget authority by $613,000,000 and outlays by $5,763,000,000 in fiscal year 1988.

AUTOMATIC SECOND BUDGET RESOLUTION

SEC. 3. (a) If Congress has not completed action by October 1, 1985, on the concurrent resolution on the budget required to be reported under section 310(a) of the Congressional Budget Act of 1974 for the 1986 fiscal year, then this concurrent resolution shall be deemed to be the concurrent resolution required to be reported under section 310(a) of such Act, for the purposes of the prohibitions contained in section 311 of such Act.

SECTION 302(B) FILING REQUIREMENT

SEC. 4. (a) It shall not be in order in the House of Representatives to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1986;

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 first effective in fiscal year 1986; or

(3) direct loan authority, primary loan guarantee authority, or secondary loan guarantee authority for fiscal year 1986;

within the jurisdiction of any committee which has received an allocation pursuant to section 302(a) of the Congressional Budget Act of 1974 of discretionary budget authority or new spending authority, as described above, for such fiscal year, unless and until such committee makes the allocation or subdivisions required by section 302(b) of the Congressional Budget Act of 1974, in connection with the most recently agreed to concurrent resolution on the budget.

(b) The prohibition contained in subsection (a) shall not apply until twenty-one days of continuous session, as defined in section 1011(5) of the Impoundment Control Act of 1974, after Congress completes action on this concurrent resolution.

INTERNATIONAL MONETARY CONFERENCE

SEC. 5. It is the sense of the Congress that the Administration should call for the convening of an international monetary conference this year with the express purpose of exploring options to stabilize currency exchange rates, reduce interest rates, promote maximum domestic and world economic growth, and help assure domestic price stability.

LIMITATION ON BENEFITS TO ALIENS

SEC. 6. It is the sense of the Congress that functional totals should be reduced to reflect a limitation on the amount of social security benefits paid to illegal and non-resident aliens. It is assumed that the Ways and Means Committee will report legislation to accomplish the required changes in law. Such legislation may limit benefits to the amount of the wage-earner's contribution plus interest, unless the wage earner is a citizen of a country with which the United States has a treaty or totalization agreement. This provision would apply to individuals becoming eligible on or after January 1, 1986.

COMMITTEE REVIEW OF THE PRESIDENT'S PRIVATE SECTOR SURVEY ON COST CONTROL

SEC. 7. It is the sense of the House of Representatives that—

(1) each of its standing committees should review and study, on a continuing basis, those portions of the President's Private Sector Survey on Cost Control affecting subjects within its jurisdiction;

(2) each of its standing committees should, in its consideration of any bill or joint resolution of a public character within its jurisdiction, review those portions of the President's Private Sector Survey on Cost Control pertaining to such bill or resolution; and

(3) each report of any such committee on a bill or joint resolution of a public character should contain—

(A) an identification of each recommendation of the President's Private Sector Survey on Cost Control implemented in such bill or resolution and the estimated dollar amount of program cost savings or revenue enhancement as a result of the implementation of each such recommendation; and

(B) a statement setting forth each recommendation of the President's Private Sector Survey on Cost Control pertaining to such bill or resolution, the disposition of each such recommendation, and the reasons for such disposition.

WIC FUNDING

SEC. 8. It is the sense of the Congress that the amount of budget authority and outlays set forth in this concurrent resolution for the functional category of Income Security for fiscal year 1985 are sufficient to ensure that $1,500,000,000 is apportioned among the States to carry out the Special Supplemental Food Program authorized by section 17 of the Child Nutrition Act of 1966 (commonly referred to as the WIC program); and it is assumed that the Office of Management and Budget should therefore release and apportion to the States the full amount of $1,500,000,000, which was appropriated for the WIC program for fiscal year 1985 since—

(1) Public Law 98-473 provided that, in carrying out the WIC program, funds shall be apportioned to the States based on an annual appropriation level of $1,500,000,000;

(2) the Conference Report on H.R. 5743 (H. Rept. 98-1071), the Agriculture, Rural Development and Related Agencies Appropriation Act, 1985, which was incorporated in Public Law 98-473, expresses the conferees' intent that the WIC program be carried out in such a manner as to fully obligate the $1,500,000,000 appropriated by Public Law 98-473 for such program for fiscal year 1985;

(3) such Conference Report also explicitly stated that any action to allocate funds inconsistent with a full-year appropriation level of $1,500,000,000 for the WIC program would be an improper withholding of funds; and

(4) the Office of Management and Budget has not made available to the Department of Agriculture for distribution to the States the full amount of funds intended by Congress to be allocated to the WIC program in any of the first three quarters of fiscal year 1985, and has not made funds available for such program during such quarters at the rate intended by the Congress.

By Mr. LEATH of Texas:

—In paragraph (1) of subsection (a) of the first section and of section 2 of the concurrent resolution increase the recommended levels of Federal revenues for fiscal year 1986 by $12,000,000,000, for fiscal year 1987 by $17,000,000,000, and for fiscal year 1988 by $25,000,000,000.

In paragraph (1) of subsection (a) of the first section and of section 2 of the concurrent resolution increase the amounts by which the aggregate levels of Federal revenues should be increased for fiscal year 1986 by $12,000,000,000, for fiscal year 1987 by $17,000,000,000, and for fiscal year 1988 by $25,000,000,000.

In paragraph (2) of subsection (a) of the first section and of section 2 of the concurrent resolution increase the appropriate levels of total new budget authority for fiscal year 1986 by $658,000,000, for fiscal year 1987 by $1,225,000,000, and for fiscal year 1988 by $1,159,000,000.

In paragraph (3) of subsection (a) of the first section and of section 2 of the concurrent resolution decrease the appropriate levels of total budget outlays for fiscal year 1986 by $7,094,000,000, for fiscal year 1987 by $11,846,000,000, and for fiscal year 1988 by $14,640,000,000.

In paragraph (4) of subsection (a) of the first section and of section 2 of the concurrent resolution decrease the amounts of the deficits in the budget for fiscal year 1986, by $19,094,000,000, for fiscal year 1987 by $28,846,000,000, and for fiscal year 1988 by $39,640,000,000.

In paragraph (8) (relating to Transportation) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease new budget authority for fiscal year 1986 by $10,000,000, for fiscal year 1987 by $13,000,000, and for fiscal year 1988 by $14,000,000.

In paragraph (8) (relating to Transportation) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $10,000,000, for fiscal year 1987 by $13,000,000, and for fiscal year 1988 by $14,000,000.

In paragraph (11) (relating to Health) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease new budget authority for fiscal year 1986 by $2,000,000, for fiscal year 1987 by $3,000,000, and for fiscal year 1988 by $3,000,000.

In paragraph (11) (relating to Health) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $2,000,000, for fiscal year 1987 by $3,000,000, and for fiscal year 1988 by $3,000,000.

In paragraph (13) (relating to Income Security) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease new budget authority for fiscal year 1986 by $592,000,000, for fiscal year 1987 by $855,000,000, and for fiscal year 1988 by $708,000,000.

In paragraph (13) (relating to Income Security) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $1,448,000,000, for fiscal year 1987 by $1,952,000,000, and for fiscal year 1988 by $2,013,000,000.

In paragraph (14) (relating to Social Security) of subsection (b) of the first section and of section 2 of the concurrent resolution increase new budget authority for fiscal year 1986 by $977,000,000, for fiscal year 1987 by $861,000,000, and for fiscal year 1988 by $213,000,000.

In paragraph (14) (relating to Social Security) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $4,667,000,000, for fiscal year 1987 by $6,402,000,000, and for fiscal year by $6,447,000,000.

In paragraph (15) (relating to Veterans benefits and services) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease new budget authority for fiscal year 1986 by $449,000,000, for fiscal year 1987 by $553,000,000, and for fiscal year 1988 by $575,000,000.

In paragraph (15) (relating to Veterans benefits and services) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $404,000,000, for fiscal year 1987 by $552,000,000, and for fiscal year 1988 by $573,000,000.

In paragraph (19) (relating to Net Interest) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease new budget authority fiscal year 1986 by $909,250,000, for fiscal year 1987 by $3,200,000,000, and for fiscal year 1988 by $5,820,000,000.

In paragraph (19) (relating to Net Interest) of subsection (b) of the first section and of section 2 of the concurrent resolution decrease budget outlays for fiscal year 1986 by $909,250,000, for fiscal year 1987 by $3,200,000,000, and for fiscal year 1988 by $5,820,000,000.

Subsection (h) of section 3 of the concurrent resolution is amended to be read as follows:

(h) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $745,000,000 and outlays by $1,774,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $1,000,000,000 in budget authority and $1,933,000,000 in outlays in fiscal year 1987; and requires decreases of $847,000,000 in budget authority and $1,998,000,000 in outlays in fiscal year 1988.

Subsection (j) of section 3 of the concurrent resolution is amended to read as follows:

(j) The House Committee on Veterans' Affairs shall report changes in laws within the jurisdiction of that committee which provide spending authority as defined in section 401(c)(2)(C) of the Congressional Budget Act of 1974, sufficient to reduce budget authority $749,000,000 and outlays by $704,000,000 in fiscal year 1986; further the Congress finds that to attain the policy

of this resolution in future years requires decreases of budget authority by $853,000,000 and outlays by $852,000,000 in fiscal year 1987; and requires decreases of budget authority by $875,000,000 and outlays by $873,000,000 in fiscal year 1988.

Subsection (k) of section 3 of the concurrent resolution is amended to read as follows:

(k)(1) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to increase budget authority by $500,000,000 and decrease outlays by $8,994,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires an increase of $352,000,000 in budget authority and a decrease of $11,652,000,000 in outlays in fiscal year 1987; and requires decreases of $392,000,000 in budget authority and $12,591,000,000 in outlays in fiscal year 1988.

(2) An amount equal to twenty percent of the savings resulting from the one-year freeze on the payment of the cost-of-living adjustment to Social Security beneficiaries shall be allocated to the Committee on Ways and Means for fiscal years 1986, 1987, and 1988; and, such funds shall be used to mitigate the impact of the freeze in the cost-of-living adjustment on any Social Security beneficiary whose income falls below the poverty level as a result of the freeze in the cost-of-living adjustment.

Section 3 of the concurrent resolution is amended by inserting at the end thereof the following new subsection:

(l) The House Committee on Ways and Means shall report changes in laws sufficient to increase revenues by $12,000,000,000 for fiscal year 1986, to become effective only upon enactment of changes in budget authority and outlays provided for in this section; further the Congress finds that to attain the policy of this resolution in future years requires increases in revenues of $17,000,000,000 for fiscal year 1987, and by $25,000,000,000 for fiscal year 1988; and further, the Congress finds that to attain such revenue increases, the Committee shall not report changes in income tax rates or burden on individuals.

Section 7 of the concurrent resolution is amended by inserting at the end thereof the following new subsection:

(c) It is further the sense of the House of Representatives that revenues must be increased in order to lower the deficit, but that any action taken to raise revenues should not preclude the adoption of tax reform and may be considered in conjunction with such tax reform.

By Mr. LELAND:

—That the Congress hereby determines and declares that the concurrent resolution on the budget for fiscal year 1985 is hereby revised and replaced, and first concurrent resolution on the budget for fiscal year 1986 is hereby established, and the appropriate budgetary levels for fiscal years 1987 and 1988 are hereby set forth:

(a) The following budgetary levels are appropriate for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987:

(1) The recommended levels of Federal revenues are as follows:

Fiscal year 1985: $736,050,000,000.
Fiscal year 1986: $816,100,000,000.
Fiscal year 1987: $914,600,000,000.
Fiscal year 1988: $1,018,500,000,000.

and the amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1985: $0.
Fiscal year 1986: $27,700,000,000.
Fiscal year 1987: $59,400,000,000.
Fiscal year 1988: $84,800,000,000.

and the amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $44,200,000,000.
Fiscal year 1986: $51,000,000,000.
Fiscal year 1987: $56,100,000,000.
Fiscal year 1988: $61,300,000,000.

and the amounts for Federal Insurance Contributions Act revenues for old-age, survivors, and disability insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $186,150,000,000.
Fiscal year 1986: $200,700,000,000.
Fiscal year 1987: $216,850,000,000.
Fiscal year 1988: $248,250,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1985: $1,026,100,000,000.
Fiscal year 1986: $1,056,500,000,000.
Fiscal year 1987: $1,118,050,000,000.
Fiscal year 1988: $1,197,400,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1985: $939,950,000,000.
Fiscal year 1986: $989,350,000,000.
Fiscal year 1987: $1,039,800,000,000.
Fiscal year 1988: $1,092,300,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1985: $203,900,000,000.
Fiscal year 1986: $173,250,000,000.
Fiscal year 1987: $125,200,000,000.
Fiscal year 1988: $73,800,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1985: $1,039,100,000,000.
Fiscal year 1986: $1,051,500,000,000.
Fiscal year 1987: $1,125,700,000,000.
Fiscal year 1988: $1,205,300,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1985: $33,600,000,000.
Fiscal year 1986: $232,300,000,000.
Fiscal year 1987: $231,000,000,000.
Fiscal year 1988: $215,800,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987, are as follows:

Fiscal year 1985:
(A) New direct loan obligations, $51,950,000,000.
(B) New primary loan guarantee commitments, $68,800,000,000.
(C) New secondary loan guarantee commitments, $68,250,000,000.

Fiscal year 1986:
(A) New direct loan obligations, $38,050,000,000.
(B) New primary loan guarantee commitments, $74,600,000,000.
(C) New secondary loan guarantee commitments, $68,250,000,000.

Fiscal year 1987:
(A) New direct loan obligations, $37,000,000,000.
(B) New primary loan guarantee commitments, $78,000,000,000.
(C) New secondary loan guarantee commitments, $68,250,000,000.

Fiscal year 1988:
(A) New direct loan obligations, $36,450,000,000.
(B) New primary loan guarantee commitments, $76,900,000,000.
(C) New secondary loan guarantee commitments, $68,250,000,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new loan guarantee commitments for fiscal years 1985 through 1988 for each major functional category are:

(1) National Defense (050):

Fiscal year 1985:
(A) New budget authority, $278,550,000,000.
(B) Outlays, $250,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $259,250,000,000.
(B) Outlays, $261,550,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $270,150,000,000.
(B) Outlays, $262,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $282,050,000,000.
(B) Outlays, $265,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1985:
(A) New budget authority, $24,950,000,000.
(B) Outlays, $17,500,000,000.
(C) New direct loan obligations, $10,050,000,000.
(D) New primary loan guarantee commitments, $10,300,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $23,050,000,000.
(B) Outlays, $17,350,000,000.
(C) New direct loan obligations, $10,350,000,000.
(D) New primary loan guarantee commitments, $10,300,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $22,350,000,000.
(B) Outlays, $18,200,000,000.
(C) New direct loan obligations, $10,750,000,000.
(D) New primary loan guarantee commitments, $10,750,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $22,750,000,000.
(B) Outlays, $18,200,000,000.
(C) New direct loan obligations, $11,000,000,000.
(D) New primary loan guarantee commitments, $11,200,000,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):
Fiscal year 1985:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $8,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $9,150,000,000.
(B) Outlays, $9,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $9,350,000,000.
(B) Outlays, $9,250,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $9,650,000,000.
(B) Outlays, $9,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(4) Energy (270):
Fiscal year 1985:
(A) New budget authority, −$2,900,000,000.
(B) Outlays, $2,850,000,000.
(C) New direct loan obligations, $2,650,000,000.
(D) New primary loan guarantee commitments, $100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $3,750,000,000.
(B) Outlays, $5,200,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $4,100,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $3,800,000,000.
(B) Outlays, $3,500,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $3,450,000,000.
(B) Outlays, $3,350,000,000.
(C) New direct loan obligations, $2,150,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(5) Natural Resources and Environment (300):
Fiscal year 1985:
(A) New budget authority, $13,000,000,000.
(B) Outlays, $13,100,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $13,100,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $13,400,000,000.
(B) Outlays, $12,850,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1985:
(A) New budget authority, $22,550,000,000.
(B) Outlays, $18,950,000,000.
(C) New direct loan obligations, $13,800,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $16,200,000,000.
(B) Outlays, $14,700,000,000.
(C) New direct loan obligations, $13,900,000,000.
(D) New primary loan guarantee commitments, $5,700,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $17,850,000,000.
(B) Outlays, $17,250,000,000.
(C) New direct loan obligations, $12,150,000,000.
(D) New primary loan guarantee commitments, $5,750,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $18,100,000,000.
(B) Outlays, $17,800,000,000.
(C) New direct loan obligations, $11,800,000,000.
(D) New primary loan guarantee commitments, $5,750,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1985:
(A) New budget authority, $6,600,000,000.
(B) Outlays, $2,950,000,000.
(C) New direct loan obligations, $6,550,000,000.
(D) New primary loan guarantee commitments, $26,450,000,000.
(E) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1986:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $2,850,000,000.
(C) New direct loan obligations, $5,900,000,000.
(D) New primary loan guarantee commitments, $27,100,000,000.
(E) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1987:
(A) New budget authority, $6,650,000,000.
(B) Outlays, $2,900,000,000.
(C) New direct loan obligations, $6,150,000,000.
(D) New primary loan guarantee commitments, $28,650,000,000.
(E) New secondary loan guarantee commitments, $68,250,000,000.
Fiscal year 1988:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $3,250,000,000.
(C) New direct loan obligations, $6,650,000,000.
(D) New primary loan guarantee commitments, $30,450,000,000.
(E) New secondary loan guarantee commitments, $68,250,000,000.
(8) Transportation (400):
Fiscal year 1985:
(A) New budget authority, $29,350,000,000.
(B) Outlays, $26,200,000,000.
(C) New direct loan obligations, $300,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $31,100,000,000.
(B) Outlays, $28,350,000,000.
(C) New direct loan obligations, $150,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $32,050,000,000.
(B) Outlays, $30,350,000,000.
(C) New direct loan obligations, $150,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $33,150,000,000.
(B) Outlays, $31,650,000,000.
(C) New direct loan obligations, $150,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1985:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $7,850,000,000.
(C) New direct loan obligations, $1,750,000,000.
(D) New primary loan guarantee commitments, $150,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $8,250,000,000.
(B) Outlays, $7,750,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $150,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $8,950,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $1,700,000,000.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $9,350,000,000.

(B) Outlays, $8,900,000,000.
(C) New direct loan obligations, $1,950,000,000.
(D) New primary loan guarantee commitments, $200,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1985:
(A) New budget authority, $32,650,000,000.
(B) Outlays, $31,100,000,000.
(C) New direct loan obligations, $1,150,000,000.
(D) New primary loan guarantee commitments, $8,750,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $38,300,000,000.
(B) Outlays, $37,100,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $9,050,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $39,600,000,000.
(B) Outlays, $38,500,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $9,350,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $41,050,000,000.
(B) Outlays, $39,950,000,000.
(C) New direct loan obligations, $1,150,000,000.
(D) New primary loan guarantee commitments, $9,600,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1985:
(A) New budget authority, $33,550,000,000.
(B) Outlays, $33,500,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $38,500,000,000.
(B) Outlays, $38,050,000,000.
(C) New direct loan obligations, $50,000,000
(D) New primary loan guarantee commitments, $250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $41,350,000,000.
(B) Outlays, $40,850,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $44,400,000,000.
(B) Outlays, $43,750,000,000.
(C) New direct loan obligations, $50,000,000.
(D) New primary loan guarantee commitments, $300,000,000.
(E) New secondary loan guarantee commitments, $0.
(12) Medical Insurance (570):
Fiscal year 1985:
(A) New budget authority, $71,750,000,000.
(B) Outlays, $65,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $82,000,000,000.
(B) Outlays, $71,550,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $90,600,000,000.
(B) Outlays, $79,450,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $93,350,000,000.
(B) Outlays, $89,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1985:
(A) New budget authority $160,500,000,000.
(B) Outlays, $129,250,000,000.
(C) New direct loan obligations, $14,300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority $164,350,000,000.
(B) Outlays, $129,000,000,000.
(C) New direct loan obligations, $1,850,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority $173,550,000,000.
(B) Outlays, $135,900,000,000.
(C) New direct loan obligations, $2,300,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority $183,850,000,000.
(B) Outlays, $142,650,000,000.
(C) New direct loan obligations, $1,750,000,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650):
Fiscal year 1985:
(A) New budget authority $195,500,000,000.
(B) Outlays, $189,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority $206,300,000,000.
(B) Outlays, $200,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority $221,600,000,000.
(B) Outlays, $213,850,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority $258,450,000,000.
(B) Outlays, $228,450,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1985:
(A) New budget authority, $27,400,000,000.
(B) Outlays, $26,500,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $16,800,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $28,000,000,000.
(B) Outlays, $27,300,000,000.
(C) New direct loan obligations, $1,300,000,000.
(D) New primary loan guarantee commitments, $17,650,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $28,500,000,000.
(B) Outlays, $28,050,000,000.
(C) New direct loan obligations, $1,200,000,000.
(D) New primary loan guarantee commitments, $18,750,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $29,000,000,000.
(B) Outlays, $28,750,000,000.
(C) New direct loan obligations, $1,100,000,000.
(D) New primary loan guarantee commitments, $20,900,000,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1985:
(A) New budget authority, $6,650,000,000.
(B) Outlays, $6,450,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $6,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $7,050,000,000.
(B) Outlays, $7,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $7,200,000,000.
(B) Outlays, $7,150,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1985:
(A) New budget authority, $5,800,000,000.
(B) Outlays, $5,850,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $6,050,000,000.
(B) Outlays, $5,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $6,250,000,000.
(B) Outlays, $6,250,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(18) General Purpose Fiscal Assistance (850):
Fiscal year 1985:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $6,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $6,750,000,000.
(B) Outlays, $6,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $7,100,000,000.
(B) Outlays, $7,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Net Interest (900):
Fiscal year 1985:
(A) New budget authority, $129,950,000,000.
(B) Outlays, $129,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $143,900,000,000.
(B) Outlays, $143,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $154,750,000,000.
(B) Outlays, $154,750,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $165,100,000,000.
(B) Outlays, $165,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Allowances (920):
Fiscal year 1985:
(A) New budget authority, $300,000,000.
(B) Outlays, $300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $900,000,000.
(B) Outlays, $900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $2,100,000,000.
(B) Outlays, $2,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $3,600,000,000.
(B) Outlays, $3,850,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1985:
(A) New budget authority, −$32,350,000,000.
(B) Outlays, −$32,350,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, −$35,500,000,000.
(B) Outlays, −$35,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee, commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, −$38,050,000,000.
(B) Outlays, −$37,050,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, −$40,950,000,000.
(B) Outlays, −$40,950,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

AUTOMATIC SECOND BUDGET RESOLUTION

SEC. 2. (a) Effective October 1, 1985, this concurrent resolution shall be deemed to be the concurrent resolution on the budget for the 1986 fiscal year required to be reported under section 310(a) of the Congressional Budget Act of 1974, for the purposes of the prohibitions contained in section 311 of such Act.

(b) Section 311(a) of the Congressional Budget Act of 1974, as made applicable by subsection (a) of this section, shall not apply to bills, resolutions, or amendments within the jurisdiction of a committee, or any conference report on any such bill or resoluton, if—

(1) the enactment of such bill or resolution as reported;

(2) the adoption and enactment of such amendment; or

(3) the enactment of such bill or resolution in the form recommended in such conference report;

would not cause the appropriate allocation for such committee of new discretionary budget authority or new spending authority as described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 made pursuant to section 302(a) of such Act for fiscal year 1986 to be exceeded.

(c) The provisions of this section shall cease to apply when Congress completes action on a subsequent concurrent resolution on the budget for fiscal year 1986 pursuant to section 304 or 310 of the Congressional Budget Act of 1974.

SECTION 302(b) FILING REQUIREMENT

SEC. 3. (a) It shall not be in order in the House of Representatives to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1986;

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1986; or

(3) direct loan authority, primary loan guarantee authority, or secondary loan guarantee authority for fiscal year 1986;

within the jurisdiction of any committee which has received an allocation pursuant to section 302(a) of the Congressional Budget Act of discretionary budget authority or new spending authority, as described above, for such fiscal year, unless and until such committee makes the allocation or subdivisions required by section 302(b) of the Congressional Budget Act, in connection with the most recently agreed to concurrent resolution on the budget.

(b) The prohibition contained in subsection (a) shall not apply until twenty-one days of continuous session, as defined in section 1011(5) of the Impoundment Control Act of 1974, after Congress completes action on this concurrent resolution.

by Mr. MICHEL:

(An amendment to the amendment offered by Ms. OAKAR.)

—In lieu of the matter proposed to be inserted, insert the following:

It is the sense of the Congress that tax legislation should be enacted to provide for payment of minimum taxes by corporations and individuals on the broadest feasible definition of income to assure that all of those with economic income will pay tax, and that the resulting revenues be used to reduce individual income tax rates and to increase the threshold amounts for tax payments by individuals in connection with consideration of comprehensive tax reform legislation.

By Mr. MORRISON of Connecticut:

—In the first section of the concurrent resolution, make the following amendments:

In paragraph (2) of subsection (a), amend the item relating to total new budget authority by striking the figures listed for fiscal years 1986, 1987 and 1988 and replacing them as follows:

Fiscal year 1986: $1,051,400,000,000.
Fiscal year 1987: $1,114,650,000,000.
Fiscal year 1988: $1,181,250,000,000.

In paragraph (3) of subsection (a), amend the item relating to total new budget outlays by striking the figures listed for fiscal years 1986, 1987 and 1988 and replacing them as follows:

Fiscal year 1986: $958,750,000,000.
Fiscal year 1987: $1,017,950,000,000.
Fiscal year 1988: $1,058,850,000,000.

In paragraph (4) of subsection (a), amend the item relating to amounts of deficits by striking the figures listed for fiscal years 1986, 1987 and 1988 and replacing them as follows:

Fiscal year 1986: $164,650,000,000.
Fiscal year 1987: $151,950,000,000.
Fiscal year 1988: $103,250,000,000.

In paragraph (5) of subsection (a), amend the item relating to public debt by striking the figures listed for fiscal years 1986, 1987 and 1988 and replacing them as follows:

Fiscal year 1986: $2,089,350,000,000.
Fiscal year 1987: $2,316,200,000,000.
Fiscal year 1988: $2,511,600,000,000.

In paragraph (6) of subsection (a), amend the item relating to statutory limits on the debt by striking the figures listed for fiscal years 1986, 1987 and 1988 and replacing them as follows:

Fiscal year 1986: $231,950,000,000.
Fiscal year 1987: $226,500,000,000.
Fiscal year 1988: $201,000,000,000.

In paragraph (1) of subsection (b) (relating to National Defense (050)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replacing them as follows:

Fiscal year 1987:
(A) New budget authority, $304,800,000,000.
(B) Outlays, $283,200,000,000.
Fiscal year 1988:
(A) New budget authority, $317,700,000,000.
(B) Outlays, $295,900,000,000.

In paragraph (2) of subsection (b) (relating to International Affairs (150)) strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $19,350,000,000.
(B) Outlays $16,850,000,000.
Fiscal year 1988:
New budget authority $19,200,000,000.
(B) Outlays, $16,100,000,000.

In paragraph (3) of subsection (b) (relating to General Science, Space and Technology (250)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $8,800,000,000.
Fiscal year 1988:
(A) New budget authority, $8,600,000,000.
(B) Outlays, $8,650,000,000.

In paragraph (4) of subsection (b) (relating to Energy (270)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $3,500,000,000.
(B) Outlays, $3,050,000,000.
Fiscal year 1988:
(A) New budget authority, $2,700,000,000.
(B) Outlays, $2,800,000,000.

In paragraph (5) of subsection (b) (relating to Natural Resources and the Environment (300)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $13,050,000,000.
(B) Outlays, $12,650,000,000.
Fiscal year 1988:
(A) New budget authority, $13,050,000,000.
(B) Outlays, $12,850,000,000.

In paragraph (6) of subsection (b) (relating to Agriculture (350)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $16,100,000,000.
(B) Outlays, $15,500,000,000.
Fiscal year 1988:
(A) New budget authority, $14,300,000,000.
(B) Outlays, $14,000,000,000.

In paragraph (7) of subsection (b) (relating to Commerce and Housing Credit (370)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $5,950,000,000.
(B) Outlays, $2,600,000,000.
Fiscal year 1988:
(A) New budget authority, $6,250,000,000.
(B) Outlays, $2,700,000,000.

In paragraph (8) of subsection (b) (relating to Transportation (400)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $30,200,000,000.
(B) Outlays, $28,850,000,000.
Fiscal year 1988:
(A) New budget authority, $30,900,000,000.
(B) Outlays, $29,150,000,000.

In paragraph (9) of subsection (b) (relating to Community and Regional Development (450)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $7,200,000,000.
Fiscal year 1988:
(A) New budget authority, $7,150,000,000.
(B) Outlays, $7,300,000,000.

In paragraph (10) of subsection (b) (relating to Education, Training, Employment, and Social Services (500)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $32,750,000,000.
(B) Outlays, $32,000,000,000.
Fiscal year 1988:
(A) New budget authority, $33,250,000,000.
(B) Outlays, $32,700,000,000.

In paragraph (11) of subsection (b) (relating to Health (550)), striking the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $38,350,000,000.
(B) Outlays, $38,150,000,000.
Fiscal year 1988:
(A) New budget authority, $40,700,000,000.
(B) Outlays, $40,500,000,000.

In paragraph (12) of subsection (b) relating to Medical Insurance (570)), strike the figures listed for outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(B) Outlays, $75,500,000,000.
Fiscal year 1988:
(B) Outlays, $84,550,000,000.

In paragraph (13) of subsection (b) (relating to Income Security (600)), strike the figure listed for new budget authority in fiscal year 1988 and the figures listed for outlays for fiscal years 1986, 1987 and 1988 and replace them as follows:

Fiscal year 1986:
(B) Outlays, $121,550,000,000.
Fiscal year 1987:
(B) Outlays, $127,250,000,000.
Fiscal year 1988:
(A) New budget authority, $175,750,000,000.
(B) Outlays, $132,850,000,000.

In paragraph (14) of subsection (b) (relating to Social Security (650)), strike the figures listed for outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(B) Outlays, $214,000,000,000.
Fiscal year 1988:
(B) Outlays, $228,200,000,000.

In paragraph (15) of subsection (b) (relating to Veterans Benefits and Services (700)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $27,450,000,000.
(B) Outlays, $27,200,000,000.
Fiscal year 1988:
(A) New budget authority, $27,700,000,000.
(B) Outlays, $27,500,000,000.

In paragraph (16) of subsection (b) (relating to Administration of Justice (750)), strike the figures listed for new budget authority and outlays for fiscal years 1986, 1887 and 1988 and replace them as follows:

Fiscal year 1986:
(A) New budget authority, $6,800,000,000.
(B) Outlays, $6,700,000,000.
Fiscal year 1987:
(A) New budget authority, $6,750,000,000.
(B) Outlays, $6,800,000,000.
Fiscal year 1988:
(A) New budget authority, $6,750,000,000.
(B) Outlays, $6,800,000,000.

In paragraph (17) of subsection (b) (relating to General Government (800)), strike the figures listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:
(A) New budget authority, $5,200,000,000.
(B) Outlays, $5,150,000,000.
Fiscal year 1988:
(A) New budget authority, $5,300,000,000.
(B) Outlays, $5,300,000,000.

In paragraph (19) of subsection (b) (relating to Net Interest (900)), strike the figures

listed for new budget authority and outlays for fiscal years 1987 and 1988 and replace them as follows:

Fiscal year 1987:

(A) New budget authority, $150,700,000,000.

(B) Outlays, $150,700,000,000.

Fiscal year 1988:

(A) New budget authority, $152,850,000,000.

(B) Outlays, $152,850,000,000.

In subsection (a) of section 2 of the concurrent resolution (Unified and Off-Budget Totals), strike out paragraphs (2) through (4) and replace as follows:

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1986: $1,062,800,000,000.

Fiscal year 1987: $1,123,650,000,000.

Fiscal year 1988: $1,188,750,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1986: $966,900,000,000.

Fiscal year 1987: $1,024,000,000,000.

Fiscal year 1988: $1,069,850,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1986: $172,800,000,000.

Fiscal year 1987: $158,000,000,000.

Fiscal year 1988: $109,600,000,000.

In subsection (b) of section 2 of the concurrent resolution, strike paragraphs (1) through (17) and paragraph (19) and replace as follows:

(1) National Defense (050):

Fiscal year 1986:

(A) New budget authority, $292,600,000,000.

(B) Outlays, $267,100,000,000.

Fiscal year 1987:

(A) New budget authority, $304,800,000,000.

(B) Outlays, $283,200,000,000.

Fiscal year 1988:

(A) New budget authority, $317,700,000,000.

(B) Outlays, $295,900,000,000.

(2) International Affairs (150):

Fiscal year 1986:

(A) New budget authority, $21,750,000,000.

(B) Outlays, $18,600,000,000.

Fiscal year 1987:

(A) New budget authority, $19,950,000,000.

(B) Outlays, $16,650,000,000.

Fiscal year 1988:

(A) New budget authority, $19,400,000,000.

(B) Outlays, $15,500,000,000.

(3) General Science, Space and Technology (250):

Fiscal year 1986:

(A) New budget authority, $9,100,000,000.

(B) Outlays, $8,900,000,000.

Fiscal year 1987:

(A) New budget authority, $8,800,000,000.

(B) Outlays, $8,700,000,000.

Fiscal year 1988:

(A) New budget authority, $8,600,000,000.

(B) Outlays, $8,550,000,000.

(4) Energy (270):

Fiscal year 1986:

(A) New budget authority, $6,100,000,000.

(B) Outlays, $5,750,000,000.

Fiscal year 1987:

(A) New budget authority, $5,900,000,000.

(B) Outlays, $5,250,000,000.

Fiscal year 1988:

(A) New budget authority, $4,850,000,000.

(B) Outlays, $4,450,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1986:

(A) New budget authority, $13,100,000,000.

(B) Outlays, $13,000,000,000.

Fiscal year 1987:

(A) New budget authority, $13,050,000,000.

(B) Outlays, $12,650,000,000.

Fiscal year 1988:

(A) New budget authority, $13,050,000,000.

(B) Outlays, $12,850,000,000.

(6) Agriculture (350):

Fiscal year 1986:

(A) New budget authority, $18,550,000,000.

(B) Outlays, $15,800,000,000.

Fiscal year 1987:

(A) New budget authority, $17,900,000,000.

(B) Outlays, $16,900,000,000.

Fiscal year 1988:

(A) New budget authority, $15,600,000,000.

(B) Outlays, $14,950,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1986:

(A) New budget authority, $8,850,000,000.

(B) Outlays, $4,600,000,000.

Fiscal year 1987:

(A) New budget authority, $9,200,000,000.

(B) Outlays, $4,950,000,000.

Fiscal year 1988:

(A) New budget authority, $9,350,000,000.

(B) Outlays, $6,600,000,000.

(8) Transportation (400):

Fiscal year 1986:

(A) New budget authority, $28,400,000,000.

(B) Outlays, $26,450,000,000.

Fiscal year 1987:

(A) New budget authority, $30,200,000,000.

(B) Outlays, $28,850,000,000.

Fiscal year 1988:

(A) New budget authority, $30,900,000,000.

(B) Outlays, $29,150,000,000.

(9) Community and Regional Development (450):

Fiscal year 1986:

(A) New budget authority, $7,500,000,000.

(B) Outlays, $8,150,000,000.

Fiscal year 1987:

(A) New budget authority, $7,750,000,000.

(B) Outlays, $8,050,000,000.

Fiscal year 1988:

(A) New budget authority, $7,900,000,000.

(B) Outlays, $7,900,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1986:

(A) New budget authority, $32,050,000,000.

(B) Outlays, $31,150,000,000.

Fiscal year 1987:

(A) New budget authority, $32,750,000,000.

(B) Outlays, $32,000,000,000.

Fiscal year 1988:

(A) New budget authority, $33,250,000,000.

(B) Outlays, $32,700,000,000.

(11) Health (550):

Fiscal year 1986:

(A) New budget authority, $36,100,000,000.

(B) Outlays, $35,600,000,000.

Fiscal year 1987:

(A) New budget authority, $38,350,000,000.

(B) Outlays, $38,150,000,000.

Fiscal year 1988:

(A) New budget authority, $40,700,000,000.

(B) Outlays, $40,500,00,000.

(12) Medical Insurance (570):

Fiscal year 1986:

(A) New budget authority, $81,950,000,000.

(B) Outlays, $68,250,000,000.

Fiscal year 1987:

(A) New budget authority, $91,550,000,000.

(B) Outlays, $75,500,000,000.

Fiscal year 1988:

(A) New budget authority, $95,550,000,000.

(B) Outlays, $84,550,000,000.

(13) Income Security (600):

Fiscal year 1986:

(A) New budget authority, $158,250,000,000.

(B) Outlays, $121,500,000,000.

Fiscal year 1987:

(A) New budget authority, $167,400,000,000.

(B) Outlays, $127,200,000,000.

Fiscal year 1988:

(A) New budget authority, $175,750,000,000.

(B) Outlays, $132,800,000,000.

(14) Social Security (650):

Fiscal year 1986:

(A) New budget authority, $207,200,000,000.

(B) Outlays, $200,800,000,000.

Fiscal year 1987:

(A) New budget authority, $224,750,000,000.

(B) Outlays, $214,000,000,000.

Fiscal year 1988:

(A) New budget authority, $264,650,000,000.

(B) Outlays, $228,200,000,000.

(15) Veterans Benefits and Services (700):

Fiscal year 1986:

(A) New budget authority, $27,450,000,000.

(B) Outlays, $26,800,000,000.

Fiscal year 1987:

(A) New budget authority, $27,450,000,000.

(B) Outlays, $27,200,000,000.

Fiscal year 1988:

(A) New budget authority, $27,700,000,000.

(B) Outlays, $27,500,000,000.

(16) Administration of Justice (750):

Fiscal year 1986:

(A) New budget authority, $6,800,000,000.

(B) Outlays, $6,700,000,000.

Fiscal year 1987:

(A) New budget authority, $6,750,000,000.

(B) Outlays, $6,800,000,000.

Fiscal year 1988:

(A) New budget authority, $6,750,000,000.

(B) Outlays, $6,800,000,000.

(17) General Government (800):

Fiscal year 1986:

(A) New budget authority, $5,350,000,000.

(B) Outlays, $5,300,000,000.

Fiscal year 1987:

(A) New budget authority, $5,200,000,000.

(B) Outlays, $5,150,000,000.

Fiscal year 1988:

(A) New budget authority, $5,300,000,000.

(B) Outlays, $5,300,000,000.

(19) New Interest (900):

Fiscal year 1986:

(A) New budget authority, $140,950,000,000.

(B) Outlays, $140,950,000,000.

Fiscal year 1987:

(A) New budget authority, $150,700,000,000.

(B) Outlays, $150,700,000,000.

Fiscal year 1988:

(A) New budget authority, $152,850,000,000.

(B) Outlays, $152,850,000,000.

By Ms. OAKER:

—At the end of the concurrent resolution, insert the following new section:

SEC. . (a) The House finds that—

(1) the present tax code lacks equity and fairness in that it permits profit-making entities to escape taxation;

(2) the proportion of total federal revenue contributed by corporations declined over 72 percent between 1954 and 1984; and

(3) the denial of these revenues has contributed to the largest deficit in our Nation's history, which has caused devastating economic harm to agriculture, manufacturing, and services industries.

(b) Therefore, it is the sense of the House that the Committee on Ways and Means should report and the House should adopt legislation which addresses these inequities by imposing a minimum tax.

(c) The revenue total raised be such legislation should be, at the very least, not less than the total revenue produced by provisions in the President's tax proposal which eliminate or reduce items of tax preference. Revenues derived from such legislation shall be applied either to rate reduction or deficit reduction, or both.

By Mr. PURSELL:

(Amendment in the nature of a substitute.)

—Strike out all after the resolving clause and insert in lieu thereof the following:

Fiscal year 1985: $44,800,000,000.
Fiscal year 1986: $50,900,000,000.
Fiscal year 1987: $56,100,000,000.
Fiscal year 1988: $61,200,000,000.

and the amounts for Federal Insurance Contributions Act revenues for old-age, survivors, and disability insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1985: $186,200,000,000.
Fiscal year 1986: $200,400,000,000.
Fiscal year 1987: $216,800,000,000.
Fiscal year 1988: $248,000,000,000.

(2) The appropriate levels of total new budget authority are as follows:

Fiscal year 1985: $1,055,500,000,000.
Fiscal year 1986: $1,060,000,000,000.
Fiscal year 1987: $1,129,100,000,000.
Fiscal year 1988: $1,209,300,000,000.

(3) The appropriate levels of total budget outlays are as follows:

Fiscal year 1985: $949,300,000,000.
Fiscal year 1986: $970,800,000,000.
Fiscal year 1987: $1,021,600,000,000.
Fiscal year 1988: $1,074,400,000,000.

(4) The amounts of the deficits in the budget which are appropriate in the light of economic conditions and all other relevant factors are as follows:

Fiscal year 1985: $213,100,000,000.
Fiscal year 1986: $176,600,000,000.
Fiscal year 1987: $155,600,000,000.
Fiscal year 1988: $120,200,000,000.

(5) The appropriate levels of the public debt are as follows:

Fiscal year 1985: $1,857,400,000,000.
Fiscal year 1986: $2,089,700,000,000.
Fiscal year 1987: $2,320,700,000,000.
Fiscal year 1988: $2,536,500,000,000.

and the amounts by which the statutory limits on such debt should be accordingly increased are as follows:

Fiscal year 1985: $33,600,000,000.
Fiscal year 1986: $232,300,000,000.
Fiscal year 1987: $231,000,000,000.
Fiscal year 1988: $215,800,000,000.

(6) The appropriate levels of total Federal credit activity for the fiscal years beginning on October 1, 1984, October 1, 1985, October 1, 1986, and October 1, 1987, are as follows:

Fiscal year 1985:
(A) New direct loan obligations, $51,937,223,000.
(B) New primary loan guarantee commitments, $68,805,405,000.
(C) New secondary loan guarantee commitments, $41,251,600,000.

Fiscal year 1986:
(A) New direct loan obligations, $34,258,541,000.
(B) New primary loan guarantee commitments, $74,036,665,000.
(C) New secondary loan guarantee commitments, $43,107,900,000.

Fiscal year 1987:
(A) New direct loan obligations, $34,376,759,000.
(B) New primary loan guarantee commitments, $76,966,574,000.
(C) New secondary loan guarantee commitments, $44,964,200,000.

Fiscal year 1988:
(A) New direct loan obligations, $34,172,944,000.
(B) New primary loan guarantee commitments, $81,175,571,000.
(C) New secondary loan guarantee commitments, $46,861,800,000.

(b) The Congress hereby determines and declares the appropriate levels of budget authority and budget outlays, and the appropriate levels of new direct loan obligations and new loan guarantee commitments for fiscal years 1985 through 1988 for each major functional category are:

(1) National Defense (050):

Fiscal year 1985:
(A) New budget authority, $292,600,000,000.
(B) Outlays, $252,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $293,500,000,000.
(B) Outlays, $269,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $313,700,000,000.
(B) Outlays, $285,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $336,400,000,000.
(B) Outlays, $304,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1985:
(A) New budget authority, $25,200,000,000.
(B) Outlays, $18,100,000,000.
(C) New direct loan obligations, $10,066,025,000.
(D) New primary loan guarantee commitments, $10,310,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $19,600,000,000.
(B) Outlays, $17,300,000,000.
(C) New direct loan obligations, $7,564,006,000.
(D) New primary loan guarantee commitments, $12,310,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $19,500,000,000.
(B) Outlays, $16,200,000,000.
(C) New direct loan obligations, $7,789,027,000.
(D) New primary loan guarantee commitments, $12,323,200,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $19,900,000,000.
(B) Outlays, $15,600,000,000.
(C) New direct loan obligations, $7,953,407,000.
(D) New primary loan guarantee commitments, $12,336,877,000.
(E) New secondary loan guarantee commitments, $0.

(3) General Science, Space, and Technology (250):

Fiscal year 1985:
(A) New budget authority, $9,100,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $8,800,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $9,000,000,000.
(B) Outlays, $8,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $9,300,000,000.
(B) Outlays, $9,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1985:
(A) New budget authority, $1,900,000,000.
(B) Outlays, $6,900,000,000.
(C) New direct loan obligations, $2,668,400,000.
(D) New primary loan guarantee commitments, $84,970,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1986:
(A) New budget authority, $4,700,000,000.
(B) Outlays, $4,900,000,000.
(C) New direct loan obligations, $2,672,500,000.
(D) New primary loan guarantee commitments, $80,000,000.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1987:
(A) New budget authority, $4,600,000,000.
(B) Outlays, $4,100,000,000.
(C) New direct loan obligations, $2,722,858,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

Fiscal year 1988:
(A) New budget authority, $4,200,000,000.
(B) Outlays, $3,400,000,000.
(C) New direct loan obligations, $2,761,383,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

(5) Natural Resources and Environment (300):

Fiscal year 1985:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $13,000,000,000.
(C) New direct loan obligations, $68,500,000.
(D) New primary loan guarantee commitments, $0.

(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $12,300,000,000.
(B) Outlays, $12,600,000,000.
(C) New direct loan obligations, $63,529,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $12,500,000,000.
(B) Outlays, $12,300,000,000.
(C) New direct loan obligations, $65,770,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $12,800,000,000.
(B) Outlays, $12,500,000,000.
(C) New direct loan obligations, $68,014,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(6) Agriculture (350):
Fiscal year 1985:
(A) New budget authority, $24,800,000,000.
(B) Outlays, $21,000,000,000.
(C) New direct loan obligations, $13,790,000,000.
(D) New primary loan guarantee commitments, $5,706,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $19,100,000,000.
(B) Outlays, $16,500,000,000.
(C) New direct loan obligations, $13,324,000,000.
(D) New primary loan guarantee commitments, $6,812,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $17,800,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $12,127,000,000.
(D) New primary loan guarantee commitments, $6,891,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $16,700,000,000.
(C) New direct loan obligations, $11,744,000,000.
(D) New primary loan guarantee commitments, $6,970,000,000.
(E) New secondary loan guarantee commitments, $0.
(7) Commerce and Housing Credit (370):
Fiscal year 1985:
(A) New budget authority, $12,600,000,000.
(B) Outlays, $5,600,000,000.
(C) New direct loan obligations, $6,528,415,000.
(D) New primary loan guarantee commitments, $26,448,753,000.
(E) New secondary loan guarantee commitments, $41,251,660,000.
Fiscal year 1986:
(A) New budget authority, $7,900,000,000.
(B) Outlays, $4,200,000,000.
(C) New direct loan obligations, $4,838,865,000.
(D) New primary loan guarantee commitments, $28,213,966,000.
(E) New secondary loan guarantee commitments, $43,107,900,000.
Fiscal year 1987:
(A) New budget authority, $8,300,000,000.
(B) Outlays, $4,100,000,000.
(C) New direct loan obligations, $5,024,316,000
(D) New primary loan guarantee commitments, $29,930,344,000.
(E) New secondary loan guarantee commitments, $44,964,200,000.
Fiscal year 1988:
(A) New budget authority, $7,600,000,000.
(B) Outlays, $4,900,000,000.
(C) New direct loan obligations, $5,474,282,000.
(D) New primary loan guarantee commitments, $31,616,951,000.
(E) New secondary loan guarantee commitments, $46,861,800,000.
(8) Transportation (400):
Fiscal year 1985:
(A) New budget authority, $29,300,000,000.
(B) Outlays, $26,000,000,000.
(C) New direct loan obligations, $296,502,000.
(D) New primary loan guarantee commitments, $308,882,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $27,000,000,000.
(B) Outlays, $25,300,000,000.
(C) New direct loan obligations, $167,500,000.
(D) New primary loan guarantee commitments, $309,299,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $29,200,000,000.
(B) Outlays, $26,800,000,000.
(C) New direct loan obligations, $139,807,000.
(D) New primary loan guarantee commitments, $309,708,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $30,000,000,000.
(B) Outlays, $27,200,000,000.
(C) New direct loan obligations, $117,013,000.
(D) New primary loan guarantee commitments, $310,098,000.
(E) New secondary loan guarantee commitments, $0.
(9) Community and Regional Development (450):
Fiscal year 1985:
(A) New budget authority, $8,400,000,000.
(B) Outlays, $8,700,000,000.
(C) New direct loan obligations, $1,734,817,000.
(D) New primary loan guarantee commitments, $169,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $7,300,000,000.
(B) Outlays, $8,200,000,000.
(C) New direct loan obligations, $1,391,735,000.
(D) New primary loan guarantee commitments, $169,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $7,600,000,000.
(B) Outlays, $8,100,000,000.
(C) New direct loan obligations, $1,893,361,000.
(D) New primary loan guarantee commitments, $176,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $8,100,000,000.
(B) Outlays, $8,000,000,000.
(C) New direct loan obligations, $2,115,983,000.
(D) New primary loan guarantee commitments, $182,000,000.
(E) New secondary loan guarantee commitments, $0.
(10) Education, Training, Employment, and Social Services (500):
Fiscal year 1985:
(A) New budget authority, $31,600,000,000.
(B) Outlays, $30,300,000,000.
(C) New direct loan obligations, $1,168,966,000.
(D) New primary loan guarantee commitments, $8,750,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $30,600,000,000.
(B) Outlays, $30,400,000,000.
(C) New direct loan obligations, $1,091,966,000.
(D) New primary loan guarantee commitments, $8,250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $31,600,000,000.
(B) Outlays, $30,400,000,000.
(C) New direct loan obligations, $1,095,757,000.
(D) New primary loan guarantee commitments, $8,415,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $32,300,000,000.
(B) Outlays, $31,100,000,000.
(C) New direct loan obligations, $1,079,881,000.
(D) New primary loan guarantee commitments, $8,590,000,000.
(E) New secondary loan guarantee commitments, $0.
(11) Health (550):
Fiscal year 1985:
(A) New budget authority, $33,600,000,000.
(B) Outlays, $33,400,000,000.
(C) New direct loan obligations, $7,000,000.
(D) New primary loan guarantee commitments, $250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $35,000,000,000.
(B) Outlays, $35,100,000,000.
(C) New direct loan obligations, $7,236,000.
(D) New primary loan guarantee commitments, $250,000,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $37,200,000,000.
(B) Outlays, $36,900,000,000.
(C) New direct loan obligations, $7,547,000.
(D) New primary loan guarantee commitments, $264,422,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $39,500,000,000.
(B) Outlays, $38,900,000,000.
(C) New direct loan obligations, $7,698,000.
(D) New primary loan guarantee commitments, $278,845,000.
(E) New secondary loan guarantee commitments, $0.

(12) Medical Insurance (570):
Fiscal year 1985:
(A) New budget authority, $71,800,000,000.
(B) Outlays, $65,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $81,600,000,000.
(B) Outlays, $68,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $91,100,000,000.
(B) Outlays, $75,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $95,200,000,000.
(B) Outlays, $85,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(13) Income Security (600):
Fiscal year 1985:
(A) New budget authority, $163,100,000,000.
(B) Outlays, $128,700,000,000.
(C) New direct loan obligations, $14,306,040,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $157,900,000,000.
(B) Outlays, $121,000,000,000.
(C) New direct loan obligations, $1,825,280,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $166,400,000,000.
(B) Outlays, $126,100,000,000.
(C) New direct loan obligations, $2,295,208,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $175,100,000,000.
(B) Outlays, $132,100,000,000.
(C) New direct loan obligations, $1,758,570,000.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(14) Social Security (650).
Fiscal year 1985:
(A) New budget authority, $195,500,000,000.
(B) Outlays, $189,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $207,200,000,000.
(B) Outlays, $200,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $224,800,000,000.
(B) Outlays, $214,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $264,600,000,000.
(B) Outlays, $228,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(15) Veterans Benefits and Services (700):
Fiscal year 1985:
(A) New budget authority, $27,200,000,000.
(B) Outlays, $26,300,000,000.
(C) New direct loan obligations, $1,302,518,000.
(D) New primary loan guarantee commitments, $16,777,800,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $27,000,000,000.
(B) Outlays, $26,400,000,000.
(C) New direct loan obligations, $1,311,924,000.
(D) New primary loan guarantee commitments, $17,642,400,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $27,100,000,000.
(B) Outlays, $26,700,000,000.
(C) New direct loan obligations, $1,216,108,000.
(D) New primary loan guarantee commitments, $18,756,900,000.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $27,500,000,000.
(B) Outlays, $27,200,000,000.
(C) New direct loan obligations, $1,092,213,000.
(D) New primary loan guarantee commitments, $20,890,800,000.
(E) New secondary loan guarantee commitments, $0.
(16) Administration of Justice (750):
Fiscal year 1985:
(A) New budget authority, $6,500,000,000.
(B) Outlays, $6,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $6,700,000,000.
(B) Outlays, $6,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $6,900,000,000.
(B) Outlays, $6,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $7,000,000,000.
(B) Outlays, $7,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(17) General Government (800):
Fiscal year 1985:
(A) New budget authority, $5,700,000,000.
(B) Outlays, $5,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $5,300,000,000.
(B) Outlays, $5,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $5,300,000,000.
(B) Outlays, $5,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments $0.
Fiscal year 1988:
(A) New budget authority, $5,500,000,000.
(B) Outlays, $5,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments. $0.
(E) New secondary loan guarantee commitments, $0.
(18) General Purpose Fiscal Assistance (850):
Fiscal year 1985:
(A) New budget authority, $6,400,000,000.
(B) Outlays, $6,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $3,500,000,000.
(B) Outlays, $4,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $3,400,000,000.
(B) Outlays, $3,400,000,000.
(C) New dirigations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(19) Net interest (900):
Fiscal year 1985:
(A) New budget authority, $129,700,000,000.
(B) Outlays, $129,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:

(A) New budget authority, $140,800,000,000.
(B) Outlays, $140,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $150,800,000,000.
(B) Outlays, $150,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $153,500,000,000.
(B) Outlays, $153,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(20) Allowances (920):
Fiscal year 1985:
(A) New budget authority, $300,000,000.
(B) Outlays, $300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, −$700,000,000.
(B) Outlays, −$800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, −$100,000,000.
(B) Outlays, −$100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $1,300,000,000.
(B) Outlays, $1,300,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
(21) Undistributed Offsetting Receipts (950):
Fiscal year 1985:
(A) New budget authority, −$32,400,000,000.
(B) Outlays, −$32,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1986:
(A) New budget authority, $−35,100,000,000.
(B) Outlays, $−35,100,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1987:
(A) New budget authority, $37,600,000,000.
(B) Outlays, $−37,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.
Fiscal year 1988:
(A) New budget authority, $−40,600,000,000.
(B) Outlays, $−40,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.
(E) New secondary loan guarantee commitments, $0.

RECONCILIATION

SEC. 2. (a) Not later than * * * 1985, the House committees named in subsections (b) through (f) of this section shall submit their recommendations to the House Budget Committee. After receiving those recommendations, the Committee on the Budget shall report to the House a reconciliation bill or resolution or both carrying out all such recommendations without any substantive revision.

HOUSE COMMITTEES

(b) The House Committee on Agriculture shall report changes in laws within the jurisdiction of that committee sufficient to reduce authority by $0 and outlays by $0 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $1,616,000,000 in budget authority and $1,616,000,000 in outlays in fiscal year 1987; and requires decreases of $2,132,000,000 in budget authority and $2,132,000,000 in outlays in fiscal year 1988.

(c) The House Committee on Armed Services shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $12,000,000 and outlays by $613,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $16,000,000 in budget authority and $941,000,000 in outlays in fiscal year 1987; and requires decreases of $17,000,000 in budget authority and $1,098,000,000 in outlays in fiscal year 1988.

(d) The House Committee on Education and Labor shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $675,000,000 and outlays by $844,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $840,000,000 in budget authority and $1,007,000,000 in outlays in fiscal year 1987; and requires decreases of $1,057,000,000 in budget authority and $1,270,000,000 in outlays in fiscal year 1988.

(e) The House Committee on Energy and Commerce shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $1,135,000,000 and outlays by $1,117,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $1,590,000,000 in budget authority and $1,586,000,000 in outlays in fiscal year 1987; and requires decreases of $2,105,000,000 in budget authority and $2,097,000,000 in outlays in fiscal year 1988.

(f) The House Committee on Government Operations shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $2,667,000,000 and outlays by $2,000,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $3,077,000,000 in budget authority and $2,974,000,000 in outlays in fiscal year 1987; and requires decreases of $4,005,000,000 in budget authority and $3,772,000,000 in outlays in fiscal year 1988.

(g) The House Committee on Interior and Insular Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $335,000,000 and outlays by $335,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $324,000,000 in budget authority and $324,000,000 in outlays in fiscal year 1987; and requires decreases of $333,000,000 in budget authority and $333,000,000 in outlays in fiscal year 1988.

(h) The House Committee on Post Office and Civil Service shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $70,000,000 and outlays by $791,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $602,000,000 in budget authority and $1,113,000,000 in outlays in fiscal year 1987; and requires decreases of $656,000,000 in budget authority and $1,234,000,000 in outlays in fiscal year 1988.

(i) The House Committee on Veterans' Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $345,000,000 and outlays by $310,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $420,000,000 in budget authority and $419,000,000 in outlays in fiscal year 1987; and requires decreases of $428,000,000 in budget authority and $426,000,000 in outlays in fiscal year 1988.

(j) The House Committee on Ways and Means shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $876,000,000 and outlays by $3,135,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $1,011,000,000 in budget authority and $4,200,000,000 in outlays in fiscal year 1987; and requires decreases of $1,081,000,000 in budget authority and $4,705,000,000 in outlays in fiscal year 1988.

SENATE COMMITTEES

(k) The Senate Committee on Agriculture, Nutrition, and Forestry shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $391,000,000 and outlays by $364,000,000 of fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $2,044,000,000 in budget authority and $2,041,000,000 in outlays in fiscal year 1987; and requires decreases of $2,602,000,000 in budget authority and $2,599,000,000 in outlays in fiscal year 1988.

(l) The Senate Committee on Armed Services shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $12,000,000 and outlays by $613,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $16,000,000 in budget authority and $941,000,000 in outlays in fiscal year 1987; and requires decreases of $17,000,000 in budget authority and $1,098,000,000 in outlays in fiscal year 1988.

(m) The Senate Committee on Energy and Natural Resources shall report changes in laws within the jurisdiction of that commit-

tee sufficient to reduce budget authority by $335,000,000 and outlays by $335,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $321,000,000 in budget authority and $324,000,000 in outlays in fiscal year 1987; and requires decreases of $333,000,000 in budget authority and $333,000,000 in outlays in fiscal year 1988.

(n) The Senate Committee on Finance shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $3,843,000,000 and outlays by $5,619,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $4,728,000,000 in budget authority and $8,020,000,000 in outlays in fiscal year 1987; and requires decreases of $6,156,000,000 in budget authority and $9,778,000,000 in outlays in fiscal year 1988.

(o) The Senate Committee on Governmental Affairs shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $70,000,000 and outlays by $791,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $602,000,000 in budget authority and $1,113,000,000 in outlays in fiscal year 1987; and requires decreases of $656,000,000 in budget authority and $1,234,000,000 in outlays in fiscal year 1988.

(l) The Senate Committee on Labor and Human Resources shall report changes in laws within the jurisdiction of that committee sufficient to reduce budget authority by $284,000,000 and outlays by $318,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $412,000,000 in budget authority and $407,000,000 in outlays in fiscal year 1987; and requires decreases of $587,000,000 in budget authority and $604,000,000 in outlays in fiscal year 1988.

(g) The Senate Committee on Veterans' Affairs shall report changes in laws within the jurisdiction of that committe sufficient to reduce budget authority by $5,280,000,000 and outlays by $8,350,000,000 in fiscal year 1986; further the Congress finds that to attain the policy of this resolution in future years requires decreases of $8,546,000,000 in budget authority and $13,265,000,000 in outlays in fiscal year 1987; and requires decreases of $10,779,000,000 in budget authority and $16,072,000,000 in outlays in fiscal year 1988.

AUTOMATIC SECOND BUDGET RESOLUTION

SEC. 3. (a) Effective October 1, 1985, this concurrent resolution shall be deemed to be the concurrent resolution on the budget for the 1986 fiscal year required to be reported under section 310(a) of the Congressional Budget Act of 1974, for the purposes of the prohibitions contained in section 311 of such Act.

(b) Section 311(a) of the Congressional Budget Act of 1974, as made applicable by subsection (a) of this section, shall not apply to bills, resolutions, or amendments within the jurisdiction of a committee, or any conference report on any such bill or resolution, if—

(1) the enactment of such bill or resolution as reported;

(2) the adoption and enactment of such amendment; or

(3) the enactment of such bill or resolution in the form recommended in such conference report; would not cause the appropriate allocation for such committee of new discretionary budget authority or new spending authority as described in section 401(c)(2)(C) of the Congressional Budget Act of 1974 made pursuant to section 302(a) of such Act for fiscal year 1986 to be exceeded.

(c) The provisions of this section shall cease to apply when Congress completes action on a subsequent concurrent resolution on the budget for fiscal year 1986 pursuant to section 304 or 310 of the Congressional Budget Act of 1974.

SECTION 302(b) FILING REQUIREMENT

SEC. 4. (a) It shall not be in order in the House of Representatives to consider any bill or resolution, or amendment thereto, providing—

(1) new budget authority for fiscal year 1986;

(2) new spending authority described in section 401(c)(2)(C) of the Congressional Budget Act first effective in fiscal year 1986; or

(3) direct loan authority, primary loan guarantee authority, or secondary loan guarantee authority for fiscal year 1986;

within the jurisdiction of any committee which has received an allocation pursuant to section 302(a) of the Congressional Budget Act of discretionary budget authority or new spending authority, as described above, for such fiscal year, unless and until such committee makes the allocation or subdivisions required by section 302(b) of the Congressional Budget Act, in connection with the most recently agreed to concurrent resolution on the budget.

(b) The prohibition contained in subsection (a) shall not apply until twenty-one days of continuous session, as defined in section 1011(5) of the Impoundment Control Act of 1974, after Congress completes action on this concurrent resolution.