

## EXTENSIONS OF REMARKS

## GLASNOST, CONTINUED

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. MICHEL. Mr. Speaker, periodically I have been inserting in the RECORD news about a new Soviet publication named "Glasnost." Perhaps I should say it is a publication that appears in the Soviet Union and not a "Soviet publication" since the latter term suggests an official Soviet organ of news or opinion. To the contrary—this Glasnost is a publication of citizens of the Soviet Union, but is in no way a part of the state apparatus. It is not a "samizdat" publication, either, for unlike such "unofficial" literature, glasnost is published quite openly and Soviet officials have been made aware of its existence by its writers and editors.

The fate of "glasnost" magazine will determine to a great part the fate of the concept of "Glasnost" itself. Will the openness spoken of so often by Mr. Gorbachev be able to accommodate a magazine that does not follow the party line? Will glasnost, the magazine, go beyond mere criticism of certain actions taken by the state and begin to openly question the vanguard status of the party itself?

Much remains to be seen, but the process of publication has begun. We should be aware of the fate of this magazine and of its editor, Sergei I. Grigoryants.

At this point I wish to insert in the RECORD, "Where in Russia Can You Read About Glasnost?" the Washington Times, September 17, 1987.

## WHERE IN RUSSIA CAN YOU READ ABOUT GLASNOST? GLASNOST

(By Henrik Bering-Jensen)

Is Mikhail Gorbachev's glasnost half empty, half full or something else altogether? To test the water level on the Soviet leader's policy of greater openness in addressing the internal problems of the country, a group of dissidents has now obligingly volunteered to take him—literally—at his word. The result: a new, wholly independent magazine full of candid advice and helpful hints as to how the Soviet Union can be made a nicer place to live. Its name: none other than Glasnost itself.

Whether this contribution to the public debate is exactly what Gorbachev had in mind remains to be seen, not least by its editor, Sergei I. Grigoryants, a former political prisoner. As Mr. Grigoryants has emphasized, Glasnost is not samizdat, or unofficial literature. From the beginning, he decided to do everything in the open. "We want to go through all the legal channels," he stated in May when the magazine was in its planning stages. "We don't want to do anything secretly or underground."

Some former samizdat writers contend that in the past they made no attempts to conceal their products, but it is clear that Mr. Grigoryants has gone farther than most

in making his intentions public. He notified the authorities of every step and, in a letter to the Central Committee of the Communist Party; requested facilities for printing in accordance with a new law that allows private individuals to set up small businesses.

He also made it clear that if he did not get this help, he would proceed anyway.

The magazine was originally scheduled to appear in June, but awaiting the response of the authorities, Mr. Grigoryants postponed the inaugural issue until July 3. A month after his application, the State Committee on Publications, to which his letter had been forwarded, politely declined to lend its support; under present conditions, the committee said, it did not really see the need for another magazine in the Soviet Union, which already has an abundance of publications.

But the response did not explicitly forbid Mr. Grigoryants to go ahead, so he did. The magazine is being produced under difficult circumstances—with volunteer typing and use of carbon paper. Photocopying, which would have facilitated the process, is traditionally unavailable in the Soviet Union because it would facilitate such processes. This limits initial production to some 100 copies, which are retyped in Moscow and elsewhere: Leningrad, Sverdlovsk, Kiev. Glasnost is translated into English by the Center for Democracy, a human rights organization in New York City.

The purpose of the publication is to probe the seriousness of Mr. Gorbachev's proclaimed policy. Says Yuri Yarim-Agaev, executive director of the Center for Democracy, "The magazine is not meant merely to dispute the official glasnost, but to complement it. The main idea is to create an independent publication in the Soviet Union. Mr. Grigoryants' magazine is an important test of how far the Soviet government is ready to go."

In this respect, the choice of the magazine's title is no accident. It might look like extremely bad form if the authorities decided to shut down a magazine that bears the name of the Soviet leader's own policy.

As for the editor, this is not his first experience with publication. By background a literary critic, Mr. Grigoryants was sentenced in 1983 to seven years in prison and three years of internal exile under the notorious Article 70 of the Soviet criminal code, which forbids anti-Soviet agitation and propaganda, for his attempt to publish an independent bulletin on human rights. He was released in February, following the much publicized announcement by the authorities that 150 dissidents would be freed.

The new journal has no editorial board as such: it is more an ad hoc enterprise. The first issue includes a reprint of a statement by the famed dissident scientist Andrei D. Sakharov demanding a revision of the Soviet criminal code, but according to Mr. Yarim-Agaev, Glasnost will not restrict itself to purely human rights issues. The magazine also considers social and economic problems of Soviet society.

Another contributor to the first issue is the writer and economist Lev Timofeev,

some of whose critical samizdat studies of the economy have been published abroad, "The Technology of the Black Market: The Peasants' Art of Starving" and "The Last Hope of Survival," for example.

He was slapped with an 11-year sentence in 1985 for peddling "anti-Soviet propaganda," but he also found himself among those pardoned in February. His Glasnost article discusses the current search for a language other than socialist jargon to analyze the workings of the Soviet administrative system.

Mr. Timofeev also describes the market as the driving force behind all economic progress. Even the lethargic Soviet system would never have stood this long, he argues, without a thriving black market economy to hold it up.

In addition to information on the growth of political discussion clubs and seminars taking place in Moscow and Leningrad, the journal also includes news of a proposal for the creation of a cooperative publishing house. The initiative came from well-known writers and has received support even from the Soviet Writers' Union. But Goskomizdat, the State Publishing Committee, has been delaying the application, and its chairman, M.F. Nenashev, has argued optimistically that "perhaps co-op publishing houses are not needed at all. . . . Under the conditions of restructuring, state publishing houses, of course, manage to cope with all problems that arise."

Recently, Izvestia put the point rather more bluntly. Such a publishing house, it argued, would be the thin end of the wedge, a slide down the slippery slope to "pornography." "As I see it," says exiled Russian writer Semyon Reznik, "this is also an indirect answer to Glasnost journal."

The magazine also contains a list of political prisoners serving in Chistopol Prison, with updates concerning their condition. This is the prison where Mr. Grigoryants himself was held.

In the future, the journal will treat these issues in greater depth, in particular the fate of recently released political prisoners.

According to Mr. Reznik, apart from the fact that only a minority of Soviet political prisoners have been released, even those who are now free find themselves in a very precarious position. In an article in the Paris emigrant weekly *Russkaya Mysl* (Russian Thought), exiled dissidents Irena and Alexander Ginzburg mention that many former political prisoners—Andrei Mironov, Vladimir Skvirsky and Aleksey Myasnikov, among others—face difficulties in obtaining a propiska, a special passport stamp that grants the bearer permission to live in a given area. It is an effective means for the Soviet authorities to keep track of the population.

Not having the stamp means breaking the passport law, and friends of former political prisoners who take them in are equally liable for punishment. Others, like mathematician Vladimir Albrekht, have gotten the stamp but cannot get jobs, not even as street cleaners. This makes them liable to charges of "parasitism."

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

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

According to Mr. Reznik, the sum of this is that the government still has a hold over these people. "The authorities can raise these questions at any time and put people back into prison."

The second issue of the journal is reportedly out now in the Soviet Union, containing provocative new information that Soviet legal files from the Stalin years are being destroyed at a rate of 5,000 a month. It is said to be 178 pages, combining what were originally planned as issues No. 2, 3 and 4. The initial idea of the editors was to publish the magazine every 10 days. But the resources to process the manuscripts, of which there are plenty, have not been available. Eventually it may become a monthly.

At the same time as the launching of the journal, the first meeting of a press club, also called Glasnost, took place in Mr. Grigoryants's apartment.

The club, which plans to meet twice a month, was organized by former political prisoners; one of its leaders in Larisa Bogoraz, wife of Anatoly Marchenko, who died in prison in December as a result of the harshness of his treatment.

The group's first act was to demand the abolition of the laws under which political dissidents can be jailed. At the meeting, the forced internment of dissidents in psychiatric hospitals was also protested.

Other independent periodicals are also being planned in the Soviet Union, likewise testing the limits of glasnost. Alexander Ogorodnikov, who was released in February after nine years' imprisonment as a religious dissident, has started the *Bulletin of the Christian Community*. "We understand that we are challenging the government," he stated at the presentation of the bulletin's first issue July 31. Not to be outdone, Vyacheslav Chernovil, a veteran dissident who spent 13 years in prison and more than two years in exile from 1967 to 1985, has announced his intention to publish a Ukrainian dissident journal.

How have the authorities reacted to Mr. Grigoryants's efforts so far? According to Mr. Yarim-Agaev, there have been several disturbing and conflicting signs. Mr. Grigoryants was thus condemned in a Tass statement on recent demonstrations by Crimean Tatars in Moscow.

The Tatars are still struggling to return to the homeland from which they were deported in 1944, when the Crimea was recaptured by the Russians and the entire Tatar nation was accused of collaboration with the Nazis.

One of their news conferences was held at Mr. Grigoryants's apartment. "There was no mention of Glasnost in this statement, but I think it was not accidental that he in particular was singled out," says Mr. Yarim-Agaev.

More directly, Anatoly L. Rusovsky, who is considered a KGB mouthpiece, attacked Mr. Grigoryants in the Moscow evening paper *Vechernyaya Moskva* for waving "old anti-Soviet banners" and for opening "old rotting trunks." Unearthing a bit of old dirt himself, he insisted that Mr. Grigoryants was a charlatan, a "speculator" in ideas, referring to the charges of illegal speculation in works of art that were brought against Mr. Grigoryants in 1975. The charges were the result of his refusal to assist in the persecution of dissidents.

In a subsequent interview with Western correspondents, Mr. Rusovsky called the journal *Glasnost* "immoral and unnecessary" and, with disarming logic, asked, "If the process continues and goes on in depth, what need is there for an unofficial

press?"—an observation that some dissidents find reminiscent of the "Why should the workers want to strike in the workers' state?" school of argument.

So far this attack has appeared only in the Moscow paper, which has been interpreted by Mr. Grigoryants as a sign that the authorities prefer to keep it a local phenomenon. "They do not want to inform the whole country about it," he has stated.

Even more ominously, his apartment has been ransacked by 10 KGB plainclothes agents. They searched through all his material but did not take anything. Mr. Grigoryants immediately called several foreign correspondents in Moscow, saying he considered it a threat to his enterprise and an unacceptable interference.

Then a few days later, in a surprise move that has been ascribed to the international attention surrounding the magazine, Mr. Grigoryants reportedly received a letter from the local authorities in Moscow stating that he could register his enterprise officially.

### STRATEGIC DEFENSE CAN'T WAIT

HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. ARMEY. Mr. Speaker, the American people have spoken. They have rejected the insane policy of mutual assured destruction [MAD] and are demanding that our Government defend them against nuclear attack. I believe that we should begin immediately to build such a defense using the technology currently available. The defense of our people is simply too important to wait until the next century.

I commend to my colleagues the views of strategic expert Richard Perle. Mr. Perle shares my view that we must overcome all obstacles, political as well as technical, to the immediate deployment of a strategic defense. [From U.S. News & World Report, Sept. 14, 1987]

### THE POLITICAL TRIALS OF SDI (By Richard Perle)

If a ballistic missile with a nuclear warhead was launched against the United States today, there is no weapon in our vast arsenal that could prevent it from exploding on American soil. It is true, of course, that we can do a lot to discourage an attack before a launch takes place, and for this purpose we maintain a formidable capacity to retaliate and destroy an aggressor. But what about, say, a missile fired by an errant Soviet submarine commander or an accidental launch—or, in years to come, a missile sent by Libya's Muammar Qadhafi or someone like him? The answer is the same. There is nothing we could do to stop it. Nothing.

This appallingly dangerous state of affairs is not caused by intractable laws of physics; nor is it the fault of inadequate defense budgets or, even, of careless inattention. It is, rather, the result of a deliberate policy adopted by a succession of American administrations according to which strategic defense is a vice and abject vulnerability a virtue.

The doctrine reflecting this strange sense of where safety lies is without precedent in

human history. Throughout history, those menaced by offensive weapons have sought defensive ones with which to protect themselves. Thus the shield responded to the sword, coastal fortifications to naval bombardment, and missiles to shoot down attacking aircraft were developed to protect against attacks from the air. One would think that the awesome destructive power of nuclear weapons would have led nations capable of doing so to seek a defense against them. But, in the United States at least, we have come to regard defenselessness as next to godliness in the theology that has guided American thinking about nuclear strategy.

Ronald Reagan has set about changing that strategy. He has questioned the notion that it is prudent to remain forever vulnerable to ballistic missiles, and he has embarked on the Strategic Defense Initiative (SDI), a program to research, develop, test and ultimately deploy a strategic defense if a way can be found to do so that is technically and financially sound. In this he is opposed by those, including many Democrats, who cling like abalone to the doctrinal rock of "mutual assured destruction," as we have come to call the idea—that, in the Nuclear Age, safety can only be assured by the threat to destroy an attacker's civilian population.

### TEMPTING FATE

The President is seeking a comprehensive defense of American territory. But even a limited strategic defense would diminish the danger of unspeakable destruction from an accidental or unauthorized launch, or an attack by a demented leader as countries that do not now possess them acquire nuclear missiles. But to those who oppose SDI, the risk of such a disaster is preferable to the search for a strategic defense.

So its opponents are trying to hang the President's SDI on the gallows of arms control. But to do this, they must first weave the ABM treaty into an inescapable noose. The hangmen in the House, led by Les Aspin and Norm Dicks, have done precisely that—adopting an amendment to the defense authorization bill that imposes on the President an interpretation of the ABM treaty that he correctly believes is unreasonably restrictive. And in the Senate, Sam Nunn has elected to become a hanging judge, presiding over a trial in which the SDI program is the defendant.

"Judge" Nunn has already laid out the case for the prosecution in three long speeches delivered on the Senate floor. He sought to persuade his colleagues (1) that the ABM treaty reached between the United States and the Soviet Union in 1972 prohibits any development or testing of space-based defenses; (2) that the practice of the United States and the Soviet Union since 1972 has been consistent with this view, and (3) that this interpretation of the treaty's obligations was presented to, and understood by, the Senate during its ratification deliberations in October, 1972. The Nunn view is now known as the "Narrow," or "restrictive," interpretation. He is wrong on all three counts.

Take first the question of what was agreed to in 1972 when Richard Nixon and Leonid Brezhnev signed the anti-ballistic-missile treaty (ABM) in Moscow. The issue is crucial because we cannot be properly, or prudently, bound to accept constraints on our activity that the Soviets refuse to accept on theirs.

Throughout the 30-month negotiation, the American side argued that there should

be no development, testing or deployment of future systems based on such advanced technologies as lasers, particle beams and the like. The negotiators labeled these uninvited but possible future defenses as systems based on "other physical principles," or OPP, and many hours were spent discussing them. The American view was pressed vigorously by Gerard Smith and others on the delegation he headed—nearly all of whom believed then, as now, that vulnerability to missile attack was not something to be deplored but a source of stability.

The Soviets did not agree. They believed deeply in the desirability of defending their territory against attack. For this purpose, they had invested tens of billions in an elaborate system of air defense to counter American bombers, they had begun the development and deployment of a ballistic-missile defense around Moscow, and they were researching the OPP-type defenses that the United States has only recently begun to explore.

The Soviet negotiators were as determined to hold open the door for future advanced defenses as their American counterparts were to slam it shut. In the closing, chaotic hours of the negotiation—indeed, on the very day the treaty was signed—a final compromise was reached. That compromise took the form of a statement known as "agreed statement D," which, by inference, does ban the deployment of future systems based on "other physical principles" but does not ban their development or testing, on which points "agreed statement D" is consciously silent.

It was a compromise typical of arms-control negotiations with Moscow. The American side wished to ban deployment as well as development and testing. The Soviets would agree only to ban deployment. Accepting the standard by which we tend to compose such differences—that a third of a loaf is better than none—we signed "agreed statement D."

The treaty text itself and the record of the negotiations clearly support this view, now known as the "broad" interpretation of the ABM Treaty's treatment of future defenses. It is the interpretation put on the treaty by State Department legal adviser Judge Abraham Sofaer, by Secretaries Shultz and Weinberger, by Paul Nitze (who participated in the negotiations) and by the President. In arriving at the broad interpretation after a number of years during which the narrow one was the prevailing wisdom, Reagan administration officials were struck by the weight of the negotiating record, especially documents showing that when the United States sought a clear and unambiguous ban on the development and testing of future systems, the Soviets flatly, and persistently, rejected it. In the end, the American side was forced to abandon its preferred language in favor of "agreed statement D," which must now be read as the definitive statement on the matter.

There is a kind of Rip van Winkle quality to the administration's discovery, in 1985, that development and testing of space-based systems based on "other physical principles" could proceed consistent with the ABM Treaty. For 13 years, with thought of a U.S. strategic defense lost in sleep, the question of precisely what sorts of development and testing were permitted was largely irrelevant. Prior to President Reagan's speech in April, 1983, that launched SDI, with its emphasis on lasers and systems based in space, Soviet comments all pointed to the validity of the broad interpretation.

Most significantly, Soviet research and development has been aimed at precisely the sort of OPP defense that the broad interpretation of the treaty would allow to be developed. It is this—Soviet statements prior to 1983 and their own R&D Program—that refutes Nunn's second assertion: That the practice of the parties since 1972 affirms the narrow interpretation.

The Senator's third argument—that the narrow interpretation was presented to the Senate during ratification—is built on some (but by no means all) statements made by Nixon administration officials in congressional testimony. From transcripts alone, it is difficult to appreciate fully the slapdash, inconsistent manner in which this then marginal matter was approached by officials whose knowledge of the issue was often at second or third hand. The handful of statements of low and midlevel officials on which the senator relies were scattered over hundreds of pages of testimony. Most of them responded to questions posed by Senator Henry Jackson, who, almost alone among his colleagues, thought it important that all the details should be clearly understood by a Senate uninterested in the fine print.

Unhappily, "Scoop" Jackson was only partially successful, and neither he nor I, who staffed him on the issue at the time, had access to the negotiating record or understood the importance that the issue would later assume. Thus he never asked the crucial question: Do the Soviets agree with the White House interpretation of the treaty, and how do they interpret "agreed statement D"? Had he done so, a volcanic dispute would have erupted, and the American failure to bring the Soviets around to the narrow interpretation would have become evident 15 years ago.

Senator Nunn argues that the treaty the Senate ratified in 1972 constituted a "contract" between the Senate and the executive branch of government. He contends, in effect, that by interpreting the treaty differently in 1987—even though the new interpretation reflects the position the Soviets took all along—the President is in breach of that contract. (In a new maneuver, Nunn is now threatening to hold up ratification of a treaty on intermediate-range nuclear weapons unless the administration gives up the broad interpretation of ABM.) With Senator Carl Levin, he seeks an amendment to withhold funds from the President for developing or testing advanced defenses in space. Its passage would give the Soviets the thing they desire most from the negotiations now under way in Geneva: A death sentence for SDI.

#### DEPLOY AN UNTESTED DEFENSE?

Under the Nunn-Levin legislation, we could do research on space-based defenses but we could not develop or test them. This would increase greatly the cost of the program, which is already seriously underfunded, and delay it by many years. But even if money and time could be found to pay for the Nunn-Levin amendment, we would one day be forced to decide whether to withdraw from the ABM Treaty in order to develop, then build and deploy a defense without ever having tested it or even its major components.

Imagine the situation: "I'm sorry, sir, that I can't let you take a demonstration drive, but this car has never actually been developed. We've done a lot of research. We've done computer simulations, and, boy, are they terrific! They show that it will do zero to 50 in 5.5 seconds and it will get 30 miles to the gallon. Now, if you will just write me

a check, we'll have our engineers assemble the parts and we'll call you when it's ready. And, by the way, there's no warranty."

Not even Lee Iacocca or the guy who wants to sell you an Isuzu could get away with that. So there will be no sale. No SDI—at least, no American SDI. Unencumbered by any comparable restraint (we couldn't verify compliance with the narrow interpretation even if the Soviets claimed to observe it), the Soviets will be free to continue their SDI Program which is larger than ours.

Senate Republicans have so far blocked the Nunn-Levin amendment's unfavorable verdict on SDI. When the Congress reconvenes, it will turn again to this question, which appears to be a legal one but is, in reality, a highly politicized issue of national-security policy. Surely the Democrats understand that the future of SDI turns on whether the Congress takes the unprecedented step of imposing on the President an interpretation of the ABM Treaty that would doom the program. But they have chosen to hide behind an issue of law rather than declare their preference for killing SDI—and with it any hope that we might someday have an even partially effective defense against ballistic missiles.

The law should be blind. The Congress should not.

#### STOPPING THE UNFAIR INCREASE IN MEDICARE PREMIUMS

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. PEPPER. Mr. Speaker, our Nation's 31 million older and disabled citizens who depend on Medicare for their medical care are again under assault from the Reagan administration. It is expected that the administration will soon propose a huge and unprecedented increase in what these Americans are required to pay for medical insurance through part B of the Medicare Program. Under the projected administration proposal, beginning January 1, 1988, seniors and the disabled would be forced to pay nearly \$300 a year in order to receive Medicare coverage for doctor and other medical services. This represents an increase of \$82.80 or 38.5 percent from the current yearly rate of \$214.80—the largest increase in Medicare's 23-year history and at a rate nearly 10 times that of inflation.

This huge increase is not the work of older and disabled Americans. It is due to the lack of adequate controls on Medicare part B services provided by doctors, hospitals, and others and a shift of services from the hospital to outpatient settings. The DRG system has placed fairly rigid controls on what Medicare will pay for in-patient hospital services, but similar cost controls do not exist for other services. As a result, many procedures which used to be performed in the hospital have shifted into outpatient settings, increasing part B expenditures. In addition, the current part B payment system encourages doctors and other providers to boost their rates and to provide more services. As a result, physician costs under Medi-

care have skyrocketed, rising at an average annual rate of 17 percent.

On Wednesday, September 16, 1987, I introduced, along with my distinguished colleague from Oregon [Mr. WYDEN], H.R. 3291, to make fairer future increases in the Medicare part B premium. Under H.R. 3291, future annual increases could not be more than the percentage cost-of-living adjustment [COLA] seniors receive to their Social Security benefits. For 1988, premium increases would be held to 4.2 percent, rather than the projected 38.5 percent. Thus, if our bill were enacted, seniors' monthly premium would rise only 80 cents a month, from \$17.90 to 18.70.

Older and disabled Americans already bear all too heavy health care costs. The average senior citizen will be forced to spend over \$1,800 on health care this year, an increase of over 1,700 percent since Medicare's enactment in 1965. Since 1980, Part B premiums have nearly doubled, from \$108 to \$214.80.

Our Nation's older citizens must not be made to pay for others' failures. H.R. 3291 would prohibit this from happening.

I urge my colleagues to join me in supporting this important and timely legislation.

TRIBUTE TO THOMAS J.  
D'ALESSANDRO, JR.

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 15, 1987

Mr. RODINO. Mr. Speaker, it is with great sadness that I join in paying tribute to my friend Thomas J. D'Alesandro, Jr. "Tommy," as he was known to everyone from Presidents to his fellow citizens, exemplified the best qualities of public service.

Beginning his career as a member of the Maryland House of Delegates, Tommy served on every level of government. As a Member of Congress from 1939 until 1947, he worked diligently to meet the formidable challenges of wartime America and made a valuable contribution towards shaping a lasting peace.

But Tommy was most closely identified with his native city of Baltimore which he loved and served with tireless devotion. After several terms as a member of the city council, he returned to serve as mayor, a post he held for 12 years.

During his tenure, Tommy led the effort to enhance the physical character of the city, including the opening of Baltimore-Washington International Airport. Under Tommy's leadership, the city greatly expanded its education facilities and opened 87 new schools. Significantly, it was Tommy who succeeded in securing public approval for the financing of the Charles Center urban renewal project. This pivotal undertaking launched the rejuvenation that ultimately changed the heart of Baltimore.

Throughout his life, Tommy's home was only a block from his birthplace in the "Little Italy" section of Baltimore. When questioned about remaining in his modest rowhouse community, Tommy replied, "These are my people and this is where I belong."

This love and affection was mutual. Tommy never lost his enormous popularity with the

people of his city. They recognized that whatever position he held, he always remained one of them. Tommy's hallmark was his basic humanity, his kindness toward others and his enduring compassion.

In recent years, Tommy enjoyed his status as an "elder statesman" of the Democratic party and his advice was widely sought and universally respected. This political legacy continues with his daughter Nancy Pelosi, our newest Democratic colleague in the House, and I know that he was very proud that she has continued this family tradition.

As a dedicated public servant and man of the people, Tommy was an inspiration to us all. I join with my colleagues in sending my deepest condolences to his family.

INFANT DEATH, LOW BIRTH  
WEIGHT REMAIN SERIOUS NA-  
TIONAL CONCERNS

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. MILLER of California. Mr. Speaker, infant mortality and low birth weight rates in this country remain at unacceptably high levels and progress made in reducing infant deaths has come to a virtual halt, according to a study released last week by the Food Research and Action Center [FRAC], a nonprofit organization dedicated to alleviating hunger and poverty in the United States. This comprehensive study of all 50 States and the 54 largest cities between 1979-84, "Poor Infants, Poor Chances," also documents the widening gap in infant deaths between whites and non-whites.

Citing the growing problems of hunger and poverty as principal contributors to low birth weight and infant mortality, FRAC calls for expansion of sound, cost-effective nutrition programs, such as the Special Supplemental Feeding Program for Women, Infants and Children [WIC]—which currently serves only 40 percent of those eligible—and heightened efforts to reduce poverty in this Nation.

Other highlights of FRAC's report include:

The United States ranks 17th among other developed countries in ability to prevent infant deaths, with an average infant mortality rate for 1980-85 of 11 infant deaths per 1,000 live births.

Washington, DC, reported the highest infant mortality rate (21.2) among major cities for 1984, followed by Detroit, Atlanta, Newark, Cleveland, Norfolk, and Baltimore. Oklahoma City reported the lowest rate.

Thirty-four of the Nation's 54 largest cities had infant death rates above the national average—10.8 in 1984-9 had infant mortality rates 1½ times the national rate and 2 cities, Washington and Detroit, had infant death rates that were more than double the national rate.

From 1976 to 1981, the infant mortality rate dropped by an average of 4.7 percent per year. From 1981 to 1986, the infant mortality rate dropped by an average of only 2.7 percent per year. National Center for Health Sta-

tistics data released last month indicate that changes in the national infant mortality rate from 1984 to 1985 and again from 1985 to 1986—decline of 1.9 each year—were statistically insignificant.

In 1984, nonwhite infant mortality rates were greater than white infant mortality rates in 97 percent of the cities and in 87 percent of the States.

Seven of the 10 States with the highest infant mortality rates in 1984 were among the poorest States.

In 1986, the poverty rate for black Americans—31.1 percent—was nearly 3 times that of white—11.0 percent.

In 1984, nearly three-fourths of the Nation's 54 largest cities and one-half of the States had low birth weight rates in excess of the national rate—6.7 percent.

Low birth weight babies—born weighing less than 5½ lbs.—account for more than two-thirds of all infant deaths. In the first 4 weeks of life, a low birth weight baby is 40 times more likely to die than a normal weight baby.

These findings are part of a growing body of evidence that upholds the prudence of providing low-income and other at-risk pregnant women with quality prenatal care. We have the chance to do just that not only by expanding the WIC Program, but by enacting as well the Infant Mortality Amendments of 1987, which would extend Medicaid eligibility to more poor pregnant women. I urge my colleagues to join me in supporting these vital programs.

THE REALITY OF THE CHILD  
CARE PROBLEM

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. LANTOS. Mr. Speaker, we hear and read a great deal these days about the critical need for affordable, quality care for the children of working parents. On September 11, the Employment and Housing Subcommittee, which I chair, held a field hearing in San Carlos, CA, to examine this important subject.

One of the many well-informed witnesses who testified before my distinguished colleague from New York, Mr. DiGuardi, my distinguished neighbor from San Francisco, Ms. PELOSI, and me was Dr. Charlie M. Knight, the superintendent of the Ravenswood City School District in East Palo Alto.

Dr. Knight provided an excellent description of the real-life situation of the typical single parent in a low-income area. The description gives a moving picture, with realistic details of the problems.

Mr. Speaker, I commend this description to my colleagues. It brings to life the child care issue with which we are grappling here.

The material follows:

TESTIMONY OF DR. CHARLIE M. KNIGHT

INTRODUCTION

On a typical day, Agnes Rodgers wakes herself up at 5:30. It has been an average night, the baby had awoken once. Still tired, she washes, irons a dress, and begins to

wake her four children. While the older ones help with breakfast, Agnes gets her eight month old daughter, Tammy ready for a day at the Center: changing her diaper, dressing her, packing a change of clothes, and feeding her. Tammy is groggy from sleep, but in a good mood as her mother pulls the baby's right arm out of her sleeper and tickles her belly. Time is passing and Agnes must rush as she breaks up an argument between her other two daughters. By 6:50 Agnes has packed Tammy in her car seat, tells her three and four year-olds to buckle up and waves goodby to seven-year-old Aaron. She hopes her car will start. At 7:05 she drops the three children off at the Child Development Center. Three-year-old Jane whimpers a little and the baby cries as Agnes passes her to the teacher. Agnes watches for a minute until the baby begins to settle down, then leaves to enter crowded 101 on the way to her job in Burlingame. She barely makes it by 8 A.M. and is tired already. Because she is a good typist, her supervisor has been tolerant of her frequent tardiness when she can't keep to her tight schedule.

Because she feels guilty about leaving her baby, during the day she calls the Center three times to be sure Tammy is alright. At five o'clock the pattern is reversed. It is a rush to get to the Center before its 6 P.M. closing time. By the time dinner and dishes are finished, so is Agnes. Exhausted, she crawls into bed at 10:30. There is little relief in this high-pressure existence, and because of her age she is least able to cope with it.

Agnes (fictitious name), a 25 year old single parent, is one of the lucky fifteen parents from East Palo Alto served by the infant program. She can depend on the staff's always being there, and feels her daughter is safe and well care for by professionals. Like other mothers, she has a great deal of difficulty paying the nominal weekly fees for each of her daughters. On more than one occasion she has told the Center's Director that another pressing bill is going unpaid so that she can maintain her child-care. Turnover at the Center is very low. One mother, who had scrambled to get in a late payment, said she had to keep her child in the program. There was no where else.

### THE NATIONAL DAY OF THE REPUBLIC OF CHINA

#### HON. RICHARD K. ARMEY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. ARMEY. Mr. Speaker, October 10, 1987, will be the 76th National Day for the Republic of China on Taiwan. The Taiwanese have much to celebrate. Their country has just ended 38 years of martial law and has passed a new security law which will contribute to the progress of the Chinese people toward the freedom and justice common to all the Western democracies. We here in the U.S. Congress applaud the political developments in Taiwan, and we look forward to seeing Taiwan become a full constitutional democracy in the near future.

Apart from its promising political developments, Taiwan is also enjoying continuing economic growth. Its per capita GNP will reach \$4,700 this year, the highest in Chinese history. Taiwan's economic success has earned it the world's admiration.

We wish Taiwan continued political and economic success, and we congratulate President Chiang Ching-kuo and his people on the occasion of their forthcoming National Day.

### THREE INEVITABILITIES: DEATH, TAXES, AND MAR- KET'S COLLAPSE

#### HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. PEPPER. Mr. Speaker, the ever-escalating stock market is just one indicator that paints a seemingly robust portrait of our economy. However, though many Americans may be riding a high tide today, there are many reasons to believe that the booming economy could easily go bust in the near future. I would like to call my colleagues' attention to an article written by Arthur Burck, a Palm Beach, FL, business merger consultant with 50 years of Wall Street experience behind him. Pointing to the cyclical nature of our economy, a stock market level that has been highly overinflated, and increasingly debt-financed business and consumer sectors, Mr. Burck warns that the next recession could cause a plunge that would rival that of the Great Depression.

The article is especially valuable for its insightful analysis of today's unhealthy business practices and how they have contributed to the problem. Our business world has been overrun with an excess of "mergermania." In an effort to go for large-scale profits in financial markets, we have created a casino-like atmosphere in the economy while neglecting the all-important manufacturing base. America must return to producing goods of real value, and we must learn to look at our workers as people, not just commodities. The time to address these problems is now, not in the future when it gets worse. I hope all my colleagues will find the time to read the following article.

### THREE INEVITABILITIES: DEATH, TAXES, AND MARKET'S COLLAPSE

(By Arthur Burck)

One would think that I should know something about the stock market. You see, for 50 years I have had at least one foot on Wall Street.

That is why I am baffled because today I am just as confused as I was when in 1937 as a neophyte lawyer I went to work for a Wall Street law firm where I was soon toiling on the problems of such clients as the New York Stock Exchange. Later I had a 13-year stint with the Securities and Exchange Commission reorganizing big corporations, and therefore became skilled in how much a big business was worth. Since 1954 I have made my living as a specialist in buying, selling and merging big businesses. Here again the \$64,000 question is always: What is a business worth? Really, isn't that what the stock market is supposed to reflect?

Yet today when I try to cope with the stock market I find that I am puzzled, baffled and frustrated. Believe it or not, I find that I am more at home at Belmont Race Track than at the corner of Broad and Wall streets.

Nevertheless, as certain as death and taxes is the inevitability that the market will collapse. But when? I learned in the

1960s that a certain fall can be delayed a lot longer than one would imagine; I was sure the time had arrived in 1966 and yet it was not until 1969-70 that the market dropped 50 percent.

The market is buoyed by an incredible amount of available money, such as that in foreign hands and in pension and other funds bloated by takeover gains. And there may be political factors that can prolong the euphoria until after the 1988 elections.

But when it comes, the deluge is likely to shake the foundations of our economy. Why? The five-year rise has been of abnormal dimensions—776 to 2,680—and apt is the old homily that the higher you go the harder the fall. Today stocks are selling at an average ratio of 20 times earnings in comparison to seven times in 1982.

During the half century I have been wrestling with the problem of what a business is worth at a given time, there is one principle that I have found immutable. It is that the key is not the past or even current earnings that is vital; at best they are but guides. It is the future stream of earnings that is the important judgmental conclusion. Few people are capable of making informed judgments on such future projections, and that is why buying a business—or buying stocks—is so tricky.

What then is the future of our nation's businesses and their predictable earnings stream? One thing is clear: our businesses are not worth three times their 1982 valuation. Why?

Today, despite the comforting surface prosperity enjoyed by most Americans, the hard reality is that most American manufacturing industries are in trouble. Call the nation achieve lasting prosperity built primarily upon a base of defense and service industries?

The problem is compounded by the malaise in other endangered areas, especially agriculture, banking, mining, energy-related businesses and countless once-thriving smaller businesses that were damaged by mergermania.

Indeed, when the history of our times is written, the destructive takeovers and acquisitions of recent decades may well replace the debacle of the stock market of the 1920s as the cataclysm most damaging to the nation's financial and economic foundations.

Nobody has said it better than Japan's Akio Morita, chairman of Sony Corp., in a recent address at the University of Montana: Unfortunately, America's brightest managerial talent is engaged in takeover moves and empire-building. . . . The big attraction in American business today is the money game, in which profits are made not by manufacturing and selling goods.

"America must return to fundamentals, to making things of real value. A business organization's real asset is its people—but how can you expect your people to be motivated to work when they are traded like merchandise? A nation's economy is only as strong as its manufacturing base, and this base is chipped away by every mindless merger and by every decision to shift production to a developing country only to save on labor."

Apart from the erosion of our business structure, we are imperiled by the many worst-case scenarios that lurk in the risky practices that have infiltrated our financial community. Wall Street was never a place where the public or the national welfare received priority consideration; indeed, there has always been a tendency to ignore the supplication of the Lord's Prayer. "And lead us not unto temptation." But in recent

years, the financial community has gone berserk.

#### EXCESSES OF MERGERMANIA

The excesses of mergermania are often in the news, but these are but the tip of the iceberg in the sea of speculation that has engulfed our business and financial communities. Today's casino-like atmosphere is reimbursed of the free and easy 1920s.

The business casualties of the Great Depression were often caused by speculative practices of the 1920s that nowadays are again rife in our financial community: excessive debt, "junk bonds" (in the 1920s they were more politely called second, third and fourth mortgage bonds), and leveraged buyouts. Just as today, the 1920s also had its share of speculative new stock issues and helter-skelter mergers that enriched financial opportunities, such as the empire builders who then ravaged our public utility industry.

In sum, current market levels ignore these dangers, uncertainties and the possibility that our industry may be facing a bleak future.

Also, it should not be forgotten that the main reason for the 1929 collapse of the stock market, other than that stocks became over-priced during the euphoria of the '20s, was the speculative overleveraging of stock purchases; i.e., stocks could be bought with little of the buyer's money, often with as much as 90 percent borrowed. Since these practices were outlawed by the margin requirements of the 1930s reforms, most people blithely assume that there is protection against this ever again happening. But this is not necessarily so.

There was a time when corporate management heeded safety factors; debt invariably was cushioned by adequate equity capital. Erosion of these conservative approaches gradually occurred because:

Banks and other lenders had plenty of cash to lend.

The deductibility of interest made it more economical to substitute debt for equity capital.

High-interest junk bonds gained some degree of respectability during the speculative atmosphere of the 1980s.

Takeovers and leverage buyouts have been in the vogue; they are usually structured around heavy debt burdens.

Then the mere threat of takeover had widespread fallout in saddling much of conservative corporate America with heavy debt. To discourage or defend against takeovers, target companies have resorted to restructuring programs that reduced their liquidity by various devices: purchase of their own stock in the open market with borrowed funds, exchanging stock for debt instruments, or leveraged buy-outs by management.

As another consequence, the resulting shrinkage of the supply of stock has placed upward pressure on prices of the remaining stock.

Moreover, these leverage factors make euphoric stock market levels even more precarious.

With such thin margins of safety, everything is fine as long as earnings are maintained. But to say we will no longer face a cyclical recession, especially after five up years, is to say that the millennium has come. With a depression, or even a stiff recession like that of 1974-75, wouldn't we see a string of defaults like ten pins falling?

Moreover, in recent years the speculative practices of overleveraging and excessive debt have crept into so many sectors of our

economy, such as consumer debt, that some unexpected cataclysm could lead to a downward spiral of massive defaults, at a time when bank illiquidity and our national budget deficit leave little room for maneuver.

#### THE 75TH ANNIVERSARY OF THE TADEUSZ KOSCIUSZKO SOCIETY OF GREENFIELD

### HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. CONTE. Mr. Speaker, when His Holiness, Pope John Paul II, touched down on American soil for the second time, he expressed thanksgiving to God for the 200-year-old U.S. Constitution and the blessings of liberty it has secured.

For Americans everywhere celebrating the bicentennial of our Constitution, this was a heartwarming and sobering moment. While we commemorate this historic anniversary by reflecting on our many freedoms, and the many brave patriots who have fought to secure them, millions of men and women across Eastern Europe still wait, hope and pray for political, religious and economic liberty. It is with one courageous struggle, and one world leader crusading for peace, in mind that I salute today the people of Poland, and all Americans of Polish heritage.

Among the many Poles who have made heroic contributions to the worldwide quest for freedom and to the history of our United States was Tadeusz Kosciuszko. Having witnessed the domination and subsequent partition of his beloved homeland by foreign enemies, Kosciuszko sailed to America in 1776 at the age of 30 to offer his services to our Continental Army. As a colonel of Army Engineers, he distinguished himself in the Carolinas as well as in the battles of New York and Yorktown. His long, faithful, and meritorious service, 6 years of fighting for American independence without a single furlough, was hailed by the U.S. Congress at the close of the war. By a special act of both Houses, this great hero who had spent 2 years constructing an impregnable fortress at West Point was granted the rights and privileges of American citizenship, and commissioned a brigadier general. He returned to his homeland to lead the defense against the invasion by Russian forces. Again, he vowed to fight for the liberty, integrity, and independence of Poland in the face of all oppression. To this day Kosciuszko remains a symbol of that continuing struggle.

"The title of 'an American' will always be sacred to me," Kosciuszko once said. And, nearly 200 years later, the name Kosciuszko is still sacred to America. On September 26, 1987, in Greenfield, MA, the Tadeusz Kosciuszko Society will celebrate its 75th anniversary. Formed by Polish-American settlers in 1912, the new society joined two active and popular organizations in the Greenfield community: the Sacred Heart Society, founded in 1905; and the St. George Society, established in 1910.

The first Polish immigrants had come to the Pioneer Valley in 1880 seeking freedom and

new opportunities. Their history reflects the ethic of hard work, undying optimism and great faith. We are fortunate to still have among us several of these early pioneers who recall the backbreaking labor on area farms and in local factories, heartless discrimination from new neighbors unfamiliar with their language and customs, and the relentless struggle to save precious wages to send for their wives and children, brothers and sisters, mothers and fathers.

Their native tongue, a cherished tie to the past and a bond that served to fortify a growing community in the new world, resounded in the churches and halls that were built with the blood, sweat, and tears of many generations. The solidarity fostered by language, tradition, and hardship was bolstered by day-to-day achievements and strengthened with the support provided by the extended family of the Kosciuszko Society.

The history of the Kosciuszko Society in Greenfield reflects the great respect of its members for the founding principles of our great country. A committee of six was elected to draw up the society's constitution, which was ratified in January 1913. This constitution welcomed all people of Polish extraction without regard to religious affiliation or political views. Within 6 years, the society was able to purchase Kosciuszko Society Hall on Hope Street, where its members still meet today.

Seventy-five years after the establishment of the society, sons, daughters, grandchildren, and great-grandchildren of the founders provide active leadership to the organization. In happy times, the hall has served as the site for wedding receptions, birthday and anniversary celebrations. In troubled times, members could be assured of the comfort and aid of friends and neighbors. Funds available through the collection of annual dues and generous gifts have assisted hundreds of needy members through the payment of sick and death benefits. As a true pillar of the Polish-American community, it has endured through the strength and commitment of its members.

I am proud to represent the Tadeusz Kosciuszko Society of Greenfield in the First Congressional District of Massachusetts. And, on behalf of my colleagues in the U.S. House of Representatives, I congratulate you for the contributions that you have made and continue to make to Polish-Americans and to our community as a whole. And I wish you continued success in your pursuit of excellence in community service and everyday life. Sto Lat!

#### IN OPPOSITION TO BORK

### HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. BRYANT. Mr. Speaker, as a Texas member of the House Judiciary Committee, I want to express in the most forceful and unequivocal terms, my strong and heartfelt opposition to the nomination of Robert Bork to the U.S. Supreme Court.

I am speaking out because I believe it is time that the public was told the truth about

the nature of this nomination, because I believe it is time a Texas voice other than that of Texas Gov. Bill Clements was heard in this debate, and because it is my hope that by speaking out I will encourage the public to make its opinion known and embolden other public officials to speak out against this nomination as well.

Contrary to the image which the Reagan administration is attempting to promote, the appointment of Robert Bork is not the appointment of a mainstream moderate American thinker. It is a thoroughly political, partisan, and ideological attempt by the Reagan White House to appoint a right-wing judicial activist and to pursue its own political agenda in a way that has only one precedent in modern history: the Roosevelt Court Packing Plan of 1937.

This scheme was wrong then and it is wrong now. And I would point out that the only member of Roosevelt's Cabinet level advisors who opposed the plan was a Texan, Vice President John Nance Garner. Roosevelt failed in that effort and Reagan should fail in this one.

Bork's abundant record is evidence enough of the extreme nature of his appointment. But, if more evidence is needed, citizens need only consider who rank among his most vocal promoters: Jerry Falwell and Bill Clements.

As cochairman of a new national group designed to bring pressure to bear to gain Bork's confirmation—spending a promised \$2.5 million or more in the process—Bill Clements will attempt to speak for all Texans in pressuring the majority of our Senators to vote for Bork.

It is perhaps instructive that President Reagan's lobbying campaign for this Supreme Court nominee would be cochaired by a Governor, who, as a university trustee, sanctioned payoffs to football players. He is in my opinion the last person who should speak for Texas about matters involving our judicial system.

Once again the Reagan administration is manipulating many well-meaning and concerned religious groups, convincing them that the appointment of Bork, an agnostic who is not a member of any church, would somehow be consistent with and advance their beliefs.

Bork's confirmation would mean the elevation to the Supreme Court of a central figure in one of the ugliest events of the Watergate episode: the firing of Watergate Special Prosecutor Archibald Cox at a time when his investigation of criminal activities began to lead him directly into the White House. When Richard Nixon ordered Cox fired, then Attorney General Elliott Richardson refused, resigning rather than carry out such an order; the Deputy Attorney General then did the same. But Robert Bork, third in line as Solicitor General, carried out the order, in spite of the fact that it was clearly designed to obstruct the ongoing investigation.

The American people want, expect, and deserve a Supreme Court that is philosophically and geographically balanced—not one, as would be the case if Bork were confirmed to replace Justice Lewis Powell of Virginia, that deprives the South of high court representation for the only time in American history other than Reconstruction and one that threatens every good and decent advance our country

has made toward a more open, equal, and democratic society in the past 30 years.

The views of Robert Bork are bizarre and unusual ones, far outside the mainstream of American thinking and in direct opposition to the fundamental principles of fairness and decency championed by the majority of Americans. His confirmation would elevate another extremist unearthed by the White House staff, this time to a lifetime position on the Nation's highest court. If they are successful we will have a new Supreme Court Justice who:

First, believes that the Bill of Rights is, in his own words, a "hastily drafted document on which little thought was expended."

Second, has said it is, in his own words, "a vital area of personal liberty" to be able to deny an American citizen a hotel room, service in a restaurant, or a seat on the bus because of the color of his or her skin.

Third, believes it is constitutionally permissible for the Government to charge a fee for the right to vote.

Fourth, believes it is constitutional for deeds to contain provisions that prohibit the sale of the property to persons of a specific race.

Fifth, believes it is constitutional for one person's vote to count more than another person's vote at election time.

Sixth, has said that the first amendment guarantee of freedom of speech applies only to "political speech"—not to speech or books related to science, literature, or art—an interpretation leaving government able to ban, censor, or interfere with this type of expression and the freedom to learn.

Seventh, believes that there is no right of privacy in the Constitution and that the Government should be permitted to tell married couples that they cannot use contraceptives.

Eighth, believes that there is no constitutional right of a divorced parent to have reasonable visitation with his or her children.

These views are well documented, not taken out of context, and are a part of the voluminous public record of Robert Bork.

There are those who will argue that all should withhold judgment until after the conclusion of Senate hearings on Bork's nomination which will not begin until next week. However, I would point out that Bork has twice before been the subject of Senate confirmation hearings—in 1973 when he was nominated by President Nixon to be Solicitor General and in 1982 when he was nominated by President Reagan to the U.S. Court of Appeals for the D.C. Circuit.

Inasmuch as the record established in those hearings, as well as in Bork's other voluminous writings and opinions, provide the compelling arguments to refuse to confirm his appointment, what could the upcoming hearings reveal that could justify voting for Bork?

In fact, the most recent whip vote count indicates that the vote of the Senate is 46 against Bork, 44 for Bork and 10 undecided. The reason that 90 Senators have already made their minds up about this matter is that his record is already very clear. And while public officials and citizens sit silently, President Reagan, Governor Clements, and 44 Members of the Senate are working full time to achieve the confirmation of Robert Bork.

For this reason I speak out today urging members of the public and call upon other

elect public officials to speak out forthrightly and strongly as soon as possible, because this vote will be close and will occur very soon. Preventing the lifetime appointment of a man who has clearly stated that he would like to roll back the clock to erase years of progress is far more important than any political career.

Preventing the lifetime appointment of an extremist like Robert Bork to the highest court in the land is critical to the future of America.

## THE 100TH ANNIVERSARY OF THE UNITED WAY OF AMERICA IS MARKED IN HUDSON COUNTY

**HON. FRANK J. GUARINI**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. GUARINI. Mr. Speaker, while the attention of the people throughout the world has been centered on the 200th anniversary of the U.S. Constitution, which will be celebrated this week, there is a centennial anniversary this year which is also of tremendous significance.

The centennial I speak of is the 100th anniversary of the United Way of America, and in my district, the United Way of Hudson County is having a luncheon celebration which will be attended by 800 community and business leaders at the Statler-Hilton in Secaucus.

The program marking this important occasion has been coordinated by Mr. William Martin, executive director of the United Way of Hudson County. Truly a dynamic individual, who has given to our area a lifetime of caring, a lifetime of sharing, and a lifetime of service.

With Bill's assistance we are providing this information, which I am requesting be placed in the CONGRESSIONAL RECORD in order that this important occasion can be widely known, giving the United Way of America, which functions in hundreds upon hundreds of communities throughout our land, its just due:

In 1887, four Denver religious leaders, reflecting upon the changing social needs of their community, got together and formed the charity organization society . . . and the concept of United Way took root.

On September 22, 1987 United Way of Hudson County, Jersey City, NJ, will celebrate the centennial of the United Way movement. Not many social institutions have stood the test of time as United Way has. For nearly a century, in thousands of communities large and small, United Ways have brought people together to address changing social needs and build caring communities.

Millions of Americans have participated in this dynamic community process called United Way. They have voluntarily given of their time, energy and resources to make their community better places in which to live and raise families.

Today's centennial celebration pays tribute to the unique partnership of United Way and the Federal, State and local government working together in community problem solving.

Thus our centennial is a grand occasion and opportunity to salute those who came before us and who contributed to making

United Way what it is today . . . a vital part of community life. By saluting these volunteers we do no less than salute the spirit of voluntarism that makes this Nation unique.

The United Way of Hudson County, founded as the Allied Aid Association in 1935 by Governor A. Harry Moore (1932-35) then "Community Chest", "Community War Fund," Community Fund, United Fund and United Way and the United Way of Bayonne founded in 1965, merged into the United Way of Hudson County in 1972. And in 1977 joined in partnership with United Way of Tri-State bringing together 37 United Ways of New Jersey, New York and Connecticut, 640 communities and 1,740 human service agencies, Attorney Thomas Lynch played a key role in every aspect of organization from 1935 to 1984.

Our centennial celebration is a salute to the past presidents of our United Way.

William Y. Dear, 1935-1943; A. Harry Moore, 1944-1948; Gustave H. Koven, 1949-1950; C. Gilbert Davis, 1950; Charles E. Adams, 1950-1951; William O. Lippman, 1951-1952; Rt. Rev. Msg. Leroy McWilliams, 1952-1953; Lawrence Whipple, 1953; Louis P. Brenner, 1954-1955; Walter Noll, 1955; William S. Lawo, 1956; David Klausner, 1957-1958; Robert J. Smith, 1959-1961; Fred Stickele, 1962-1963; John Weis, 1964-1965; Joseph Caldara, 1966-1967; LeRoy J. Lenahan, 1968-1969; David Leff, 1970-1971; Lawrence Lewis, 1972-1975; Harry O'Mealla, 1976-1977; Fred Peterson, 1978-1979; Thomas Zito, 1980-1981; Edward G. Davin III, 1982-1983; Norman LaGueux, 1983-1984; Frank Nilan, 1985-1986; Dominick D'Agosta, 1987-1988.

Campaign leaders Charles Griffin, Harold Wagner, Florence Hayes, Thomas Lynch, Joseph Barbera and Lester Thurston played pivotal roles in assisting the Presidents.

Bayonne United Way, founded by Samuel Kaye and the Bayonne Chamber of Commerce:

Chester Zebrowski, 1965; Alex O'Connor, 1966; Wesley Kapec, 1967; Alton Adler, 1968; Keenan O'Brien, 1969; William Campbell, 1970; John Ciparro, 1971; Frank Nilan, 1972.

Chief Volunteer Officers of the United Way of Tri-State: C. Peter McColough, 1977-1978; Walter Wriston, 1979; Theodore F. Brophy, 1980-1981; Edmund Pratt, Jr., 1982-1983; John F. McGillicuddy, 1984-1985; John B. Carter, 1986-1987.

While the centennial celebration pays tribute to these dynamic leaders . . . we cannot stop there. A whole new generation of volunteers and professionals is getting ready to take charge. We must leave them a legacy—a community system that is as strong, caring, inclusive, and responsive as it can be. The centennial then, is an occasion to look forward to the next hundred years and to lay the foundation now for a new era of hope and service. It is in this spirit that we are joining together in a major nationwide mobilization called the second century initiative to achieve two broad goals:

A: Make a dramatic leap forward in service by building a United Way system that is even more open and caring 5 years from now than it is today.

B: Double United Way capacity in volunteers and financial resources over a 5-year period 1987-1991.

The United Way mission is: to increase the organized capacity of people to care for one another. It calls on you to be the catalysts that make things happen in your community.

United Way of Hudson County leaders have taken the mission to heart. The volun-

teers are performing miracles daily . . . weekly . . . monthly. You are forging coalitions that are helping people more effectively than ever—coalitions that promote health care, coalitions that fight hunger and homelessness. You are bringing together groups of people that have never talked with each other, and might never have, except for United Way.

This Nation needs a voluntary initiative now—a voluntary initiative of the quality and dimension that the second century represents. Your reasons for doing all this can be found in the teenage suicide—suicide which is the third largest cause of death for teenagers in this country. We talk about the frail elderly. We talk about the unmet needs of families.

Our fast moving society also is changing the nature of the family. The agency system that you are financing and making possible for this Nation is the substitute for the families of old. We collectively need support systems today. Not one of us, regardless of our status in life, is without the need of help. All of us need it.

The second century initiative is really the opportunity for all of us to join hands and push this Nation forward. And the bottom-line measure of the second century initiative's success is very simple: we are, in fact, making a difference in people's lives. That is the bottom line.

The second century initiative is not the United Way with a capital "U" and a capital "W." It is United Way with a small "u" and small "w." It is a process of involving people. It is the future of the movement. The future—and credibility with the people of this Nation—rests on all of us working together to do the best we possibly can. In looking to the future—the United Way is presenting its prestigious Centennial Award to three outstanding community and corporate leaders: Arthur Imperatore, chairman of the board of APA Transport and president of ARCOP, and Thomas J. Stanton, chairman of the board of First Jersey National Bank, and Congressman Frank J. Guarini.

Their imagination, leadership, vision and action rooted in their knowledge, experience and dedication are truly the keys to unlock the door of our "second century community treasure."

For treasures are all around us. Abandoned warehouses, forgotten urban centers, rusty old piers, or collapsing buildings. Our cities and harbors must be recycled, rehabilitated, rebuilt and reshaped to maintain all their natural beauty. Our honorees are leaders devoted to this community effort.

The centennial celebration also highlights the working partnership of United Way and Government. Invited dais guests represent former Mayors Frank Hague Eggers, John V. Kenny, Charles Witkowski, Bernard Berry, Thomas Gangemi, Charles Krieger, Dr. Paul Jordan, Thomas F.X. Smith, Gerald McCann, current Mayor Anthony R. Cucci, Bayonne Mayor Dennis F. Collins, and Hudson County Executive Edward F. Clark.

Each administration, working in partnership with the voluntary sector played a key role leading to the United Way's achievements of today—"people helping people."

I am certain that my colleagues here in the House of Representatives today will join me in this salute to Bill Martin for his 31 years of service as executive director of the Hudson County United Way;

Thirty year veteran, Calvin Green, president of Tri-State United Way; Vincent Ben-

inati, Bennis Murphy, Bill Thompson, Myra Mahon, vice presidents of the Tri-State Organization; Vivian Dupree, 15 years of service as associate director and comptroller of United Way of Hudson County—Joseph Brown, John Slattery, Mark Zatorski, Linda Kowalski, Lorraine Jordan, staff members, United Way of Hudson County;

Current campaign Chairman James Feely, president, Provident Savings Bank, vice chairs, William Thornton, president, Thornwall Realty, Peter Murphy, VP Midlantic North and Daniel Petruzella, vice president, First Jersey National Bank.

I would also like to pay tribute to the United Way of America which on so many days in so many ways has helped serve human causes in almost every city, county, State and hamlet in the entire United States.

I am certain that the quality of leadership and dedication will continue for hundreds of years to come.

## BIG CROP TESTS ALMOND SELLER

### HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. COELHO. Mr. Speaker, American agriculture, like many other industries, continues to suffer from the imbalance promoted by our Nation's regressive trade policy. The California almond industry is one of the bright spots, however, relying on innovation and hard work to capture and expand new markets. Much of the world's almond crop is produced in the 15th Congressional District which I represent, and I salute our almond industry with this recent New York Times article:

[From the New York Times, Sept. 8, 1987]

#### BIG CROP TESTS ALMOND SELLER

(By Richard W. Stevenson)

SACRAMENTO, CA.—One year after a crop failure left supplies short and prices increasing, the almond growers of California's lush central valley are harvesting what appears to be their largest crop ever.

Hard-pressed farmers may be generally happy about the bumper crop. But the almond glut it is creating poses a major marketing challenge for the California Almond Growers Exchange, or CAGE, the grower-owned cooperative that sells more than half of the state's almonds and is best known to consumers for its Blue Diamond brand.

The cooperative is considered by agriculture experts to be particularly skillful at marketing. And considering that other cooperatives include Sunkist for oranges, Sun-Maid for raisins, Welch's for grapes and Ocean Spray for cranberries, that is quite a compliment.

#### COOPERATIVE'S SUCCESS HAILED

"In the areas of product development and product differentiation particularly, CAGE's success has been spectacular, at least compared to what other marketing cooperatives have been able to accomplish," said Richard J. Sexton, an assistant professor of agricultural economics at the University of California at Davis.

Indeed, the cooperative has helped make almonds one of the hottest products in the

food industry and a mainstay of California agriculture.

But as the cooperative is learning the hard way, no matter how sophisticated its marketing, it remains hostage to the whims of nature.

Almond growers learn each February how big a crop they will have by watching the bees in their orchards. In 1986, heavy rains kept the bees from pollinating the almond trees, resulting in one of the worst crops in a decade. This year, in dry weather, the bees seemed to make up for lost time, giving life to more nuts than the world needs.

"If you're General Motors and you need three million cars, you produce three million cars," said Walter Payne, the cooperative's vice president for marketing and sales. "In agriculture, if you need 500 million pounds, you may get 240 million or you may get 600 million."

That kind of uncertainty and fluctuation can wreak havoc with marketing plans and pricing. Last year some customers that the cooperative had spent years persuading to buy more nuts suddenly found their supplies being rationed, and hard-won space on supermarket shelves had to be surrendered.

This year, by contrast, with the supply exceeding the demand, the \$750 million-a-year industry will put 18 percent of its 600 million-pound crop into a reserve, partly to insure that prices do not tumble too precipitously. Already, the wholesale price of a pound of almonds has plummeted to about \$1.45, from the record of \$2.62 last year.

Like other cooperatives, the California Almond Growers Exchange is owned by its 5,300 grower members, for which it processes and sells the nuts. The cooperative packages some almonds under its Blue Diamond brand name and sells most of the rest to bulk customers, such as food and candy companies that use the nuts in their products.

The cooperative's biggest competitors are a unit of Tenneco Inc., based in Bakersfield, Calif., and the T.M. Duche Nut Company of Orland, Calif.

Almonds were a favorite of King Tutankhamen of Egypt in the 14th century B.C. and were brought to California by Spanish missionaries. But only in this decade, as the cooperative and its smaller competitors have stepped up their sales efforts have the nuts really come out of their shells.

Annual per-capita consumption in the United States, which was 0.37 pound in 1979, swelled to 0.71 pound by 1985, and cooperative executives said they should reach their goal of one pound per person by 1990. California's almond crop this year will be 12 times bigger than it was in 1960, and as the only almond-growing state, California now accounts for 60 percent of worldwide production, with Spain the other major producer.

"I don't think there's any agricultural commodity that's had the success in increasing consumption that we've had," said Roger J. Baccigaluppi, president of the cooperative.

#### PRODUCTS DEVELOPED

In 1985, the latest year for which figures are available, American consumers bought 37.5 million pounds of almonds from their grocery stores, up from 24.8 million pounds in 1980.

Besides selling roasted and flavored nuts, the Sacramento-based cooperative has developed its own ice creams and even almond butter.

Through its research and development efforts, the cooperative has also helped turn

almonds into a popular new ingredient in foods, especially cereals such as the Ralston Purina Company's Almond Delight and General Mills Inc.'s Clusters and Raisin Nut Bran. Over all, domestic food manufacturers bought 16.5 million pounds of almonds from the cooperative and other suppliers in 1985, up from 7.7 million pounds in 1980.

The candy industry, long the biggest user of almonds, has also gone on a nut binge, adding more almonds to existing products and introducing new ones, such as Hershey's chocolate-dipped almond Solitaires. Candy makers bought 40.5 million pounds of almonds in 1985, up from 22.9 million pounds five years earlier, and the growth appears to be continuing.

"Tastes ebb and flow," said Carl Andrews, a spokesman for the Hershey Foods Corporation, the world's largest purchaser of almonds. "It seems that this particular taste is very popular now."

#### SIXTH-LARGEST U.S. FOOD EXPORT

More than half of the cooperative's sales are to foreign countries; almonds are the nation's sixth-largest food export. West Germany, which has a long tradition of using almonds as a baking ingredient, is the biggest export market.

The best growth prospect, however, may be Japan. Innovative new products tailored for Japanese tastes, such as almond-flavored milk and almonds mixed with dried baby sardines, have been winners. Aggressive marketing techniques, such as urging cooking schools to use almonds in classes taken by nearly all new brides, have made the nut a common flavor enhancer.

Even with its strong domestic and international markets, however, last year was a difficult one for the cooperative, particularly in selling its retail products to consumers. A six-ounce can of almonds that might have retailed for \$1.50 a year earlier went for \$2.69 last year, an increase sufficient to drive away many buyers.

#### HEAVY SPENDING ON PROMOTIONS

The cooperative tried to mitigate the damage by cutting its profit margin to the bone and spending heavily on coupons and other price-cutting promotions. But this year, Mr. Payne conceded, it still has a selling job to do to win back its old customers.

The main weapon will be a greatly increased advertising and promotion budget—\$18 million, compared with \$6 million last year. The centerpiece will be a continuation of a humorous campaign begun last year that shows real-life growers up to their waists in almonds, pleading for people to buy a can a week.

Rebuilding business with the food and candy companies that buy in bulk should not present much of a problem, Mr. Payne said, because they got most of the almonds they needed last year, albeit at a higher price, and they are used to the ups and downs of agricultural supplies and prices.

#### STROKES OF LUCK IN EUROPE

The shortages forced the cooperative to supply its domestic customers and Japan first, sacrificing much of its European business. But as it rebuilds its international markets, the cooperative is benefiting from several strokes of luck. The value of the dollar has fallen against most major currencies, making American products less expensive abroad. And in Europe, freezes have destroyed a significant portion of the almond crop, and the crop of the major substitute, hazelnuts from Turkey, remains partly contaminated by the radiation fallout from the

Chernobyl nuclear accident in the Soviet Union.

With many things seeming to be going its way again, the mood at the cooperative has turned optimistic with lots of thoughts of how almonds could be used in additional, if seemingly unlikely, ways.

I've always thought there was tremendous potential for one of the large beverage companies to develop a really good, healthy, almond-flavored soft drink that's not sold as a health food," said Mr. Baccigaluppi, the cooperative's president. "We're just dreaming about it, but then we just dreamed about almonds in cereal for years, too."

## SUMMIT OF THE ORGANIZATION OF AFRICAN UNITY

### HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. DYMALLY. Mr. Speaker, I recently was invited to attend, as a special observer, the Summit of the Organization of African Unity. During my visit, I was fortunate to have been present at the presentation of a statement by Her Excellency Ms. Gro Harlem Brundtland, Prime Minister of Norway and Chairperson of the World Commission on Environment and Development.

I wish to bring this statement to your attention as it concerns the interrelated questions of environment and development, an important item on every nation's political agenda. Following my statement are the attached remarks:

PRESENTATION OF THE REPORT OF THE WORLD COMMISSION ON ENVIRONMENT AND DEVELOPMENT TO THE CONFERENCE OF HEADS OF STATE AND GOVERNMENT OF THE ORGANIZATION OF AFRICAN UNITY, ADDIS ABABA, 27 JULY 1987

(By Prime Minister Gro Harlem Brundtland, Chairman of the World Commission on Environment and Development)

Mr. Chairman, Your Excellencies Heads of State and Government, Distinguished representatives, Ladies and Gentlemen:

It is an honour and a privilege for me to have been given this unique opportunity to address this 23rd Assembly of the Heads of State and Government of the Organization of African Unity and to present the report of the World Commission on Environment and Development. As Prime Minister of Norway I also value the invitation to address you as a token of the longstanding bonds of friendship and cooperation between my own country and the countries of Africa.

I venture at the outset to state that the interrelated questions of environment and development today clearly stand out as the major issue on the international political agenda, equalled in importance only by the vital issues of disarmament and security. Nowhere are the issues of environment and development more relevant and critical to humanity's prospects for the future than on this vast continent, the focus of centuries of exploitation and of current struggles for economic and social progress.

True, significant achievements have been made in many countries of Africa. There are countries where food production has increased rapidly, countries where more

people can read and write than ever before, where health and education are improving and life expectancy is increasing. Yet we can speak of a development crisis in Africa. There are more people hungry and malnourished today than ever before, more people who lack safe water, proper shelter, food and energy. And the continent's capital, its environment and natural resources are seemingly caught in a downward spiral of degradation: drought, desertification, deforestation, soil-erosion and loss of genetic resources are increasing at alarming rates.

In the 1960s newly independent African nations set out with high hopes for a better, independent future. They attained remarkable growth rates. In the early seventies, however, these growth rates and international economic cooperation reached an apogee, leading into a decade and a half of stagnating cooperation and of isolationism. The gap between the rich and the poor nations of the world is widening. A complex set of circumstances is now working against the interests of Africa and its people.

Since the Stockholm Conference frustrations about our present institutions' inability to deal effectively with the crucial development and environment issues has been growing. The global conferences on water supply, food, women, human settlements, new and renewable energy resources and population, all offered hope that progress could be achieved despite of temporary setbacks. Yet the frustrations have prevailed.

It was against this background that the General Assembly of the United Nations welcomed the establishment of our Commission. The UN General Assembly asked the Commission to take a fresh look at the interrelated issues of environment and development and to formulate concrete recommendations for action based on shared perceptions of long-term environmental issues.

The World Commission's report, "Our Common Future", is a political document which covers the global political agenda and which carries the consensus signature of commissioners from 21 countries, most of them from developing countries and five of them from Africa.

During our work we came to focus very strongly on Africa, its plight and possibilities. We benefited greatly from views expressed by African governments and African organizations, not least during our public hearings in Harare and our meetings in Nairobi. While we were working, the drought and famine which led Africa and millions of its people through an ordeal inconceivable to many outside the continent, were brought home to us. Few other single catastrophes have more clearly demonstrated the links between environment and development, the links between international and national economic conditions and their impacts on the environment, and between environmental degradation and its long-term effects on the prospects for development.

We on the Commission came to recognize that while pollution problems, mainly a Northern or Urban feature, have significant effects on the global environment, poverty is the main cause of environmental degradation in many developing countries. It is also one of the main effects of environmental degradation. Viewed in the context of short-term needs, each decision by the individual poor is rational, even if it means eating next year's seed corn to stay alive, overexploiting soil when faced with ever shrinking incomes from agriculture, or over-grazing fragile pastures or cutting scarce forests for fuelwood.

These might simply be the only ways to survive. Clearly it is totally unacceptable and incompatible with human decency and solidarity to even suggest that the poor must remain in poverty in order to protect the environment. What is needed are national and international strategies that offer real options, that secure and enhance incomes as well as the environment on the local, national and international level.

While the Commission emphatically warns that changes must be made if disastrous mistakes, with global implications, are to be averted, the Commission also believes that it is possible to make changes which are so urgently needed. We point to the fact that human resources, knowledge and capabilities have never been greater, that indeed it is possible to create a future that is more prosperous, more just and more secure for all.

The overriding political concept upon which our report is founded is that of *sustainable development*. It is a broad concept for social and economic progress. We define it as paths of human progress that meet the needs and aspirations of the present generation without compromising the ability of future generations to meet their needs. It requires political reforms, a fair access to knowledge and resources, and a more just and equitable distribution within and among nations.

Sustainable development can only be achieved if we realize that there are thresholds that cannot be crossed without dire consequences. We in the North have too long neglected the signs that our paths of development have been playing lethal games with important life-support systems. We have used the atmosphere as the ultimate sink of our industrial excesses. Too long have we discarded the warnings that global heating caused by industrial emissions may disturb the global climate and consequently also agricultural and settlement patterns. Too long have we overlooked the devastating effects of acidification, of overuse of chemical products and pesticides, and too long have we exported our first generation of environmental problems of the Third World.

Sustainable development recognizes that there are thresholds imposed by nature, yes, but not limits to growth itself. In a world ridden by poverty growth is absolutely necessary. Growth is the only answer to the problems of developing countries. But the contents of growth must be changed. Growth cannot be based on overexploitation of the resources of Third World countries. Growth must be managed to enhance the resource base on which they all depend. The environment and the natural resources of developing countries must cease to be the victims in a world economy troubled by serious imbalances. The victims must instead become allies in the struggles for survival.

But for this to happen, fundamental changes are necessary in the international economy. A revival of the multilateral approach to solving problems is essential. All of us—in developing and industrialized countries alike—need to realize that it is in our mutual interest to chart a new course of action. The industrialized countries will have a critical role to play. They will have to accept an obligation to ensure that the world economy enhances rather than hinders possibilities for sustainable development.

Nowhere is this obligation more evident than in respect of the debt crisis still facing much of the developing countries. Debt

servicing is placing intolerable burdens on the economies and the environment of many African countries that currently depend on commodity exports in their struggle to earn foreign currency. Under present conditions many countries are caught in a vicious circle of having to tax their natural resources at rates that will lead to rapid depletion and devastation. The alarming tendency that more and more exports are tied to debt servicing will have to be reversed. Interest rates must come down. In the face of commodity prices, which have never been so low in real terms since the thirties, urgent action is needed to alleviate debt burdens in ways that represent a fairer sharing between debtors and lenders. North and South must both realize that it is in their own best interest to expand trade with and increase capital flows to developing countries.

Let us be frank. Much of the debt will not and cannot be paid back in any real sense. What is needed are new loans on concessional terms, new investments and economic reforms. New policies must comprise debt relief, long-term rescheduling and conversion to softer terms.

The UN Program of Action for African Economic Recovery adopted last year has been followed by efforts on the part of African governments. Many have taken enormous burdens on themselves to restructure their economies.

The crucial question is: Will the international community be able to come to Africa's assistance in such a magnitude and scope as to fulfill the African people and governments' earnest desire and commitment to the continent's recovery and accelerated development—not just in terms of official development assistance but also and more importantly in terms of addressing the commodity issue and the debt problems?

The flows of finance will have to be turned back to Africa. In that regard, I would note that too long donor countries have neglected to make serious efforts to reach internationally agreed aid targets. I take the liberty of pointing my finger on the basis of the fact that for several years my country has contributed more than 1% of GNP to ODA. The 0.7 per cent GNP target, reiterated recently at the summit of the seven major Western industrialized nations, must be followed by concrete commitments. Developing countries need much larger financial inflows, and new funds must be forthcoming for projects that aim at sustainable development.

Mr. Chairman, some countries might be sceptical about the application of the Commission's sustainability criteria and perceive it as a new form of conditionality.

Our Report aims at raising global awareness among governments, aid agencies and others concerned with development of the necessity of integrating environmental considerations into economic decision-making and planning at all levels.

It is clear, however, and I emphasize this point, that this integrated process must be made operational by the governments themselves as part of their national strategies for development. External assistance will be needed, from UNEP and other organizations, to help many countries establish their professional and institutional capacity to conduct this integration in practice. Such assistance must come at the request of countries concerned and must be assisted by the international community.

The Commission was emphatic in coupling its demand for higher quality and environ-

mental sensitivity in aid and lending with substantially increased aid flows. Our report cannot be read on implemented *à la carte*. Donors or lenders cannot unilaterally impose environmental conditions in flows of aid or lending that go against the sovereign priorities of developing countries. Borrowers carry an equal obligation with lenders and donors to set their development priorities on the basis of long-term sustainability criteria. These notions are inherent in our concept of sustainable development, which is based on equity and the joining of forces rather than on the imposition of external will and power.

The Lagos Plan of Action—which was an ambitious, but in wide circles outside Africa a far too neglected design for a better future—Africa's Priority Programme for Economic Recovery and the recently issued Abuja statement all clearly demonstrate the determination of African countries to agree on development goals for the future and their ability to establish priorities which are in line with sound sustainability criteria. The similarities between these documents and our report are striking in many respects, not least in the setting of priorities. Cooperation on sustainable development in Africa should come in response to those priorities.

Mr. Chairman, lending and aid alone will fail to bring about the common objectives unless the developing countries are secured a fairer income from their traditional exports. Commodity prices must be increased. The terms of trade must be reversed to favour Africa rather than to impoverish it. Commodity agreements must be strengthened and new ones must be established. The expansion of many countries into manufacturing and high technology, so far oppressed by external conditions, must be based on more equitable economic exchanges.

The ongoing negotiations in UNCTAD and GATT, as well as in other fora such as the World Bank, the IMF, regional development banks, UNIDO, UNDP, WHO and FAO will be at the core of the process we call for. A new international consensus must provide the basis for integrating the concept of sustainable development into all policies and programmes.

The Commission's report focuses on food security as essential to human progress. We have the possibility of feeding a doubled world population some time during the next century, and many experts believe that parts of Africa could in fact become a granary sufficient to serve the whole continent. Presently, international policies have hampered future possibilities. The Commission calls for a shift in agricultural production patterns to where the demand is. Only then will we be able to secure access to food for those who need it. Agricultural practices can be made compatible with environmental requirements. Greater resources must be directed towards developing techniques adapted to local conditions. Prices on the national as well as the international level must increase the income of smaller subsistence farmers. Policies should provide the incentives for sustainability in agriculture.

The Commission dealt at length with the energy challenge. How can we possibly secure sufficient energy for the enormous unmet energy needs in many developing countries, and how shall we in the North stabilize and even decrease our consumption while maintaining high growth levels?

The fuelwood crisis is the reality with which the majority of people in Africa now

grapple. In many regions vast afforestation campaigns are needed which involve people more closely in the process. Trees must be treated as a subsistence crop. But policies should explore the dissemination of more efficient, economical techniques, while increasing regional and local efforts to secure adequate supplies from internal and external sources of hydrocarbons. Renewables can become an increasingly important factor in the future, but large-scale research supported by joint international efforts are needed.

The energy and food crises are felt most strongly by women, who in many countries bear the main responsibility for providing for their families. Their status and real participation must be improved, as must their access to education. Unless the status of women is improved, it is difficult to see how living standards in many regions will improve.

Only if the full potential of human resources is realized, only when people have real hopes for a better future will they have real choices, including the choice of limiting the size of their families.

Population strategies, which need to be developed by many countries, must deal with the underlying social and economic conditions of underdevelopment, and differ from country to country as does the carrying capacity of the land. Policies must comprise better health services and education. But the population issue is not one of numbers alone. It is also one of consumption patterns and life styles. Many people—mainly in the North—use the world resources at rates that cannot be sustained, while hundreds of millions consume far too little.

Nowhere are these inequalities more extreme, more unjust and more obscene than in the south of this continent, in South Africa. The minority regime in Pretoria is holding the majority of South African citizens hostage to a political system that is an insult to basic principles of civilization. One of the many ways by which the apartheid regime institutionalizes both conflict and environmental degradation is by allocating, through the homeland system, 14 per cent of the nation's land to 72 per cent of its population. Thus racist marginalization has become a source of tension, and the conflict is being pursued by the Pretoria government into neighbouring states.

These trends and threats also demonstrate the interdependence between environment, development and armaments which consumes far too much of scarce resources. The frontline states in particular have been forced to uphold and expand their defense efforts in the face of threats and aggression from South Africa, thereby demanding even larger yields from their scarce resources.

The apartheid regime must and will come to an end. The black population will no longer tolerate the oppressive apartheid system and will demand to be treated as equals and to be given their inherent right to political equality. The black population and the frontline states deserve our firm support in the face of apartheid aggression. So far we have not seen any evidence of a genuine dialogue emerging in the region. It is not enough to insist that "doors are open" when the reality is the opposite.

Sanctions against South Africa have been all too leniently imposed. This spring my own country adopted a comprehensive trade boycott against South Africa. We have prohibited sales of oil and oil transport on Nor-

wegian and Norwegian-controlled ships. We have further strengthened our cooperation with the SADCC countries, and we are prepared to increase our assistance in the event of further South African reprisals against these countries.

We have responded to the laudable initiative of the Non-Aligned Movement by contributing 10 million Norwegian kroner to the newly established Africa Fund, and we urge other countries to respond in similar manner. The international community as a whole has an unfulfilled responsibility towards the oppressed people of Southern Africa. We need to be firm in our action to bring down apartheid. The North has a special moral responsibility as well as the means to do this.

The fact that apartheid exists speaks for the inadequacy of present international cooperation. Ten years ago the United Nations Security Council adopted the only mandatory measure against South Africa. The time has now come to move forward. The time has now come to restore the authority of the international institutions we have created.

Mr. Chairman, unlike previous independent commissions, the World Commission has a mandate from the United Nations following its positive reception at the Governing Council of the United Nations Environment Programme, our report now moves to the General Assembly of the United Nations where it will be dealt with this fall.

In our report we call upon the UN General Assembly, as a step towards sustainable development, to transform "Our Common Future" into a UN Action Programme for Sustainable Development. Needless to say here, before one-third of the members of the world organization, Africa is essential to "Our Common Future". Your support is vital.

In concluding, let me say that during the 900 days we worked as a commission, we gained renewed confidence in people's ability to cooperate. We went to five continents, to Harare and Nairobi, to Moscow, Oslo, Jakarta, Sao Paulo, Tokyo and Ottawa. We heard the views and concerns of people from all walks of life who face the real problems, be they farmers, scientists, politicians, or ordinary people. During our process of learning and sharing, the nationalism and artificial divisions between East and West, between North and South receded. In their place emerged a strong sense of unity and common responsibility. There also emerged a deep awareness that existing threats to sustained human progress demand that we realize we are all neighbours on a small and fragile planet and that it is not only our duty, but also in our own interest to care for each other.

It is my hope that a transition towards sustainable development, as called for by "Our Common Future", will lead to a new deal in international cooperation.

#### WHY THE RUSH TO GIVE UP ON SANCTIONS?

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. BERMAN. Mr. Speaker, just before Congress adjourned for the August recess, the Los Angeles Times ran a very cogent editorial

entitled, "Why the Rush To Give Up on Sanctions?" written by my colleague, HOWARD WOLPE, chairman of the Subcommittee on Africa.

The Anti-Apartheid Act of 1986 will be 1-year-old on October 2. Next month, the President will send to the Congress, as required under the act, his report on the extent to which the South African Government is moving toward negotiations with the majority population. As the anti-apartheid debate is renewed this fall, I recommend this article as a timely and incisive analysis of the subtle changes now taking place in South Africa.

[From the Los Angeles Times, July 26, 1987]

#### WHY THE RUSH TO GIVE UP ON SANCTIONS?

(By Howard E. Wolpe)

In the wake of the rightward tilt in last month's whites-only elections in South Africa, some people are declaring that economic sanctions are a failure—that they've accomplished little more than hardening the government's determination to keep apartheid in force.

The growing popularity of this assessment (which I believe is wrong) is encouraged by certain attitudes that must be fully transcended if the United States is to have an effective policy toward southern Africa.

First, and most obvious, is the tendency toward impatience in foreign-policy matters. It would be astonishing indeed if the immediate reaction of the South African government—or any other—to increased internal and external pressure were anything other than defensiveness. Second, and more subtle, is the ambivalence that arises at those exceptional moments when Americans are asked to support, in the national interest, sanctions against a country not considered as falling within the Soviet orbit. Finally, and most disturbing, given our own tragic history of racial conflict and paternalism, is the appearance at times of a racial double standard in American foreign policy.

Together, in varying proportions, these attitudes help explain why there can be early and vocal skepticism of sanctions against South Africa with no comparable skepticism voiced about the immediate effects of sanctions against, say, Libya or Poland.

Impatience, unconscious racial attitudes and reflexive anti-communism make it possible for there to be expressions of deep concern that sanctions against Pretoria "will hurt the black majority we seek to help" (disregarding the pro-sanctions sentiments of popular black political organizations and unions) when there are no similar cries of conscience about the fate of Polish or Libyan workers. So, too, they help explain why blacks leading an armed struggle against apartheid can be labeled "terrorists" while other insurgents, such as those in Nicaragua and Afghanistan, are hailed as "freedom fighters" deserving of U.S. moral and material support.

By passing the Comprehensive Anti-Apartheid Act of 1986, Congress recognized, on a bipartisan basis, that our traditional foreign policy toward South Africa compromised not only our values but our political and strategic interests as well. It acknowledged that apartheid harms America's long-term relationship with all of Africa, and that continued escalation of violence threatens to degenerate into a blood bath and provoke a superpower conflict. By adopting economic sanctions, Congress put into place a medium- to long-range strategy designed to worsen the economic burden that a regime

confronting formidable internal opposition must already bear, to send a signal that the regime will continue to be denied economic and diplomatic support internationally, and to encourage legitimate opposition forces.

Beneath their bravado, South African whites are gradually becoming concerned about the accumulating costs of internal resistance and external sanctions. South African economic analysis admit that, even under the most optimistic assumptions, per-capita economic growth will stagnate unless sanctions are lifted. In November, the economic adviser to the South African Reserve Bank pointedly noted that "the upswing in the economy is being inhibited by the effect of trade, and more especially, capital sanctions."

Of greater long-term significance than the "law and order" appeals featured in the last election are recent South African opinion polls, which demonstrate that three times as many whites prefer to accelerate the pace of "reform" as to slow it down. The white Dutch Reformed Church has renounced its previous support for apartheid; the Broederbond has circulated a working document implying that any new constitution would have to be acceptable to the African National Congress; more than 300 faculty members at Stellenbosch University (the intellectual citadel of Afrikanerdom) have called on the government to scrap all remaining discriminatory legislation and make a commitment to share power with blacks; and three credible independent candidates for parliament have shown that there is a new, reformist Afrikaner opposition that approaches 25% of the Afrikaner vote in key urban and white-collar districts.

Other signs of declining white morale, reminiscent of those that appeared gradually in Rhodesia, include rising emigration (13,711 whites left in 1986, a 67% increase over 1983), rampant draft evasion (more than 25% defied the 1985 call-up, with the government subsequently refusing to publish updated statistics), and swelling suicide figures (453 members of the South African Defense Forces attempted suicide in 1986, a 500% increase over the previous year).

Weakening sanctions in the face of South African intransigence will only encourage the Afrikaner minority in its fantasy that it can hold onto monopoly power indefinitely, free of mounting economic costs or deepening international isolation.

Worse still, to reinforce such delusions is to invite greater repression and delay the onset of negotiations.

Instead, what is urgently needed is a steady policy aimed at tightening those sanctions already in place, while substantially increasing diplomatic and economic pressure on the South African government to abandon apartheid, and to negotiate—with the black majority—a new and genuinely democratic political order.

#### WANT TO HELP REDUCE THE FEDERAL BUDGET DEFICIT?

#### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. EDWARDS of California. Mr. Speaker, perhaps one of the most frustrating issues with which the Congress has grappled in recent years is the Federal budget deficit. Under President Reagan's administration we

have seen the deficit nearly triple, from \$73 billion in fiscal year 1981, to \$221 billion in fiscal year 1986.

Despite the fact that it is the President's policies—notably his 1981 tax cut and the binge in military spending—which have led to these massive deficits, the administration has refused to work cooperatively with the Congress in making the difficult choices which must be made if we are to reduce substantially the Federal budget deficit. If the Reagan administration were to abandon its confrontational approach, I feel confident that together the Congress and the President could tackle the deficit problem.

In a recent article in the Los Angeles Herald Examiner, our colleague ANTHONY BEILENSON offers some thoughts on how this could be done. I commend his comments to the attention of my colleagues.

The article follows:

[From the Los Angeles Herald Examiner, Sept. 10, 1987]

#### WANT TO HELP REDUCE THE FEDERAL BUDGET DEFICIT?

(By Anthony C. Beilenson)

For several years now the President and Congress have spent an enormous amount of time and energy dealing with the federal budget deficit and, yet, we are really no closer to solving this problem than we were when the deficit first reached the \$200 billion range in 1983.

During each year since, the government has run a deficit triple the size of any annual deficit prior to 1981. It took the U.S. more than 200 years to accumulate a total national debt of \$1 trillion, but in just the last six years, that debt has more than doubled to \$2.3 trillion because of these huge deficits.

Everyone agrees that we cannot continue to increase the national debt at this incredible rate. There are only two ways of solving the problem: either cut spending or raise taxes—or, more feasibly and reasonably, a combination of the two. But political obstacles stand in the way. President Reagan adamantly objects to raising any new taxes and opposes slowing the growth of defense spending; both he and many members of Congress are unwilling to slow the growth of Social Security, which alone accounts for 20 percent of the federal budget; and a majority in Congress of both parties do not want to cut most domestic programs any further.

Two years ago, Congress tried to force a resolution of the problem by passing the Gramm-Rudman-Hollings law requiring each succeeding year's deficit to be \$36 billion less than the previous year's. In keeping with that law, Congress has been attempting to reduce the 1988 deficit by \$36 billion. However, those efforts have almost completely broken down because of disagreements within Congress over the specific spending cuts and tax increases that would reduce the deficit by that amount, and continued pressure from the President not to agree to any tax increases at all.

The tragedy of this political stalemate is that draconian measures are not required to bring the deficit under control. Take a look at the following sampling of ways the 1988 deficit could be reduced and decide for yourself: is it really all that difficult to cut next year's deficit by \$36 billion?

*Possible spending cuts and 1988 savings*

(In billions of dollars)

- Defense Spending (28 percent of the budget):
  - (1) Freeze (i.e., no increases for inflation)..... \$5
  - (2) Cut by 3 percent..... 7
- Entitlement Programs (41 percent of the budget):
  - Skip cost-of-living increases for one year for entitlement programs, which include Social Security, Medicare, military and civilian retirement pensions, veterans benefits, etc. (Means-tested programs would be exempt)..... 7
- Domestic Programs (16 percent of the budget):

(Includes funding for education, job training, national parks, health research, air safety, environmental protection, housing, highways and mass transit, FBI and drug enforcement, immigration control, space programs, etc.):

- (1) Freeze (i.e., no increases for inflation)..... 4
  - or
  - (2) Cut by 3 percent..... 6
- Interest Payments on the National Debt (the remaining 15 percent of the budget):

The only way interest payments can be cut is if the deficit is reduced. If you check off at least \$30 billion worth of spending reductions and revenue increases (below), take credit for \$1 billion in reduced payments..... 1

*Possible revenue increases and 1988 revenue gain*

- Retain a tax rate of 38.5 percent for taxable income over \$100,000 (single returns) and \$150,000 (joint returns), instead of letting the rate drop to 28 percent, as currently scheduled..... \$6
- Raise the Federal tax on beer by 32 cents a 6 pack and on wine by 7 cents a bottle..... 3
- Raise the Federal tax on cigarettes from 16 to 32 cents a pack..... 3
- Raise the Federal tax on gasoline:
  - (1) By 10 cents a gallon..... 10
  - or.....
  - (2) By 20 cents a gallon..... 20
- Treat most Social Security benefits as taxable income (the way private pensions are treated for tax purposes).... 5
- Reduce the business tax deduction for meals and entertainment from 80 to 50 percent..... 1
- Impose a 1/2-percent tax on the value of stocks and other securities when they are bought or sold..... 5

Your total deficit reduction .....

If you found \$36 billion worth of spending cuts and tax increases from the list above that you could support, you have also found ways to produce continuing large reductions in deficits in the years beyond 1988. If these cuts were to be enacted into law now, only very modest additional spending cuts and tax increases would be needed in future years to actually balance the budget five or six years from now.

What makes the budget problem so frustrating is that unlike other major problems that face us, such as the U.S. trade deficit or nuclear arms control, the budget deficit can be solved simply by passing the necessary legislation; our failure to control the deficit is a failure of political will rather than of not knowing what to do or how to do it.

Polls show that the great majority of Americans think that the federal budget deficit is the most serious issue facing our nation today. But to break the political deadlock, public support is needed for specific steps to solve the problem.

Want to help? Then check off at least \$36 billion worth of deficit-reduction options listed above that you support—and send a copy to President Reagan, your senators, and your congressman.

WHY HEALTH COSTS KEEP SOARING

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. STARK. Mr. Speaker, last week, the news was reported that the Medicare part B premium was going to rise 37 percent next year, from a monthly premium of \$17.90 to about \$24.80.

Why?

Part of the reason is brilliantly described in a new article by Princeton University Prof. Uwe Reinhardt contained in the Milbank Quarterly, volume 65, No. 2, 1987. I reprint below portions of his article, entitled "Resource Allocation in Health Care: The Allocation of Lifestyles to Providers."

One can think of the monetary transfer to the providers of health care as their generalized claim on the good things in life, that is, on the food, clothes, shelter, automobiles, vacations, fur coats, and so on, produced by the economy. Thus, the statement that health care expenditures this year reached, say, 10 percent of the gross national product (GNP) does not imply that American patients cut out for themselves a slice equal to 10 percent of that proverbial national pie, nor does it necessarily mean patients received more services if, one year later, 11 percent of the GNP were spent on health care. Rather, the statement signifies that in return for whatever services and supplies the providers did transfer to patients this year they were allowed to claim for themselves 10 (or 11) percent of that national pie as a reward.

In 1985 a claim equal to 10.7 percent of the GNP was handed to American providers of health care collectively in return for whatever health services American patients received in that year. In Canada and West Germany, providers were rewarded with generalized claims equal to between 8 and 9 percent of these nations' GNP, respectively, as a reward for whatever services were rendered patients in these countries. In the United Kingdom, that reward has been only about 6 percent of that nation's GNP in recent years (see Waldo, Levit, and Lazenby 1986, 5). In Japan, it has been about 6.5 percent (Japanese Ministry of Health and Welfare 1985, table 3).

Precisely what real health services patients in these other nations did and did not receive in comparison with American pa-

tients is, of course, an intriguing question. For example, in view of the much lower national health expenditures in neighboring Canada, one is tempted to pose American providers the following questions:

"In return for the much higher allocation of financial resources from American society to American providers of health care collectively, do American patients receive a commensurately superior flow of real health care services? If so, precisely what are the extras? Do Americans see physicians more frequently than do Canadians? Is the probability of surviving a given illness episode in the United States perceptibly higher, on average, than that in Canada? Do Americans, on average, walk about with less pain from ill health and with less anxiety over the physical and financial consequences of illness than do Canadians? And how, on average, do the poorest of the two nations' citizens fare in health care?"

Convincing answers to these questions are not known at this time. But the questions are eminently researchable and eminently worth asking.

In fact, these questions lead directly to yet other intriguing questions, namely:

"What actually shapes the relation between the monetary and real resource transfers in figure 1? Are the two so tightly linked that, in discussions on "resource allocation in health care," one can be viewed as a proxy for the other, as is so often done in public debates on health policy? Or is the link between the two loose enough to permit each to go its own way?"

The providers of health care certainly seem to posit a very tight linkage or, at least, they pretend that they do. On this professed belief, any proposal to constrain the flow of money from society to providers is immediately decried by the latter as a proposal to limit the flow of real health services from providers to patients. It is branded as a direct assault on the "quality" of health care, if not as an attempt to "ration" health care outright. That belief, for example, seems implicit in the American Medical Association's contention that the fee freeze imposed by Congress in 1985 had "forced the nation into a two-tier system for medical care in which Medicare patients have become 'second-class citizens'" (American Medical News 1985, 1).

Conversely, it is usually pretended by the providers of health care that any increase in the money flow to them—for example, supplementation of the British National Health Service (NHS) through private health insurance, or increases in the American Medicare and Medicaid budgets—would lead ipso facto and in some unspecified manner to a proportionate increase in the real health care resources made available to patients. It is the medical analogue of the trickle-down theory.

Not only the providers of health care tend to think that way; government officials usually do as well. Suppose, for example, that the state of New Jersey decided to raise the relatively low fees paid physicians under that state's Medicaid program by, say, 25 percent. A natural inclination among politicians would then be to claim that much had been done for the state's poor. In fact, in their published reports state officials would measure their goodwill toward the poor precisely by this monetary transfer to physicians. The only reliable inference to be drawn from the assumed fee increase, however, would be that something had been done by New Jersey's physicians. Just what additional health services the physicians

would ultimately bestow upon New Jersey's poor in return for the higher fees—the yardstick by which the benefits received by the poor ought to be assessed—would be an entirely different matter.

This seemingly pedantic distinction between types of resource allocations in health care cannot be exaggerated in thinking about health policy, as will be readily apparent from the data presented in tables 1 and 2. Table 1 records fee charged, in 1984, by physicians in the United States and in Canada for a variety of standard surgical interventions. Table 2, taken directly from a recent report by the Office of Technology Assessment (U.S. Congress, Office of Technology Assessment 1986, table 2.11), records the enormous variation in the so-called prevailing (maximum) charges allowed physicians under part B of the federal Medicare program in 1980.

TABLE 1.—COMPARISON OF 1984 MEDICAL FEES, UNITED STATES AND CANADA

	Prevailing charges under Medicare, California (dollars)	Median fees, United States (dollars)	Fees in Ontario (Canadian dollars)
Electrocardiogram (professional charges only)	40	35	7
Insertion of pacemaker	1,815	1,200	334
Appendectomy	734	600	259
Extraction of lens	1,341		368
Hysterectomy	1,393	901	503
Coronary artery bypass	5,200		1,300

Source: Reinhardt 1985, table 2.

TABLE 2.—HIGH AND LOW PREVAILING CHARGES IN LOCALITIES FOR FIVE SELECTED PROCEDURES, FEE SCREEN YEAR 1980

Procedure	Locality prevailing charges			
	High	Low	Range	Ratio
1. Brief followup hospital visit by an internist	\$33.10	\$7.00	\$26.10	4.73:1
2. Extraction of lens by an ophthalmologist	1,390.70	536.50	854.20	2.59:1
3. Electrosection of prostate by a urologist	1,410.40	475.25	935.15	2.97:1
4. Hysterectomy by an obstetrician/gynecologist	1,305.20	536.50	768.70	2.43:1
5. Chest X-ray single view by a radiologist	35.00	5.50	29.50	6.36:1

Source: U.S. Congress, Office of Technology Assessment 1986, table 2.11.

A budget allocation of the equivalent of \$1 million in U.S. dollars obviously buys many more operations of a given type in neighboring Canada than it does in the United States, and it buys far fewer such operations in California than it does in most other regions of the United States. In 1984, for example, the federal Medicare program for the aged paid surgeons in Mississippi a maximum fee of \$2,200 for a coronary bypass, while surgeons in California were paid \$5,000 for the procedure and those in New York \$6,000 (Reinhardt 1985, figures 2 and 3).

Even more remarkable is variation in the hourly remuneration earned by American physicians in different specialties. For certain surgical specialties—e.g., ophthalmology and thoracic surgery—prevailing fees imply an hourly remuneration manifold that paid primary-care physicians for non-procedural care.

Differences in practice costs and in length of training can explain some of the observed variations in fees, but they cannot fully explain them. These variations remain a perplexing mystery among both researchers and policy makers, and even among physicians themselves. And they naturally lead to questions of the following sort:

"Suppose the Medicare program could somehow reduce its monetary allocation for coronary bypass surgery in California below previous levels, so that the annual rate of such operations in California could be maintained only if California surgeons were content with a money transfer per operation equal to, say, the United States median fee. Would that rationing of money for California surgeons necessarily have to lead to rationing of coronary bypasses in that state? And, if it did, who ought to be blamed for that rationing of medical services: the federal government for constraining fees in California to the United States median level, or California surgeons for withholding their services from patients?"

This line of questioning is sharpened if one contemplates the data presented in table 3. These data represent charges for diagnostic tests ordered by a physician during one office visit for an employee of the Caterpillar Tractor Company (CTCO), a company that funds and administers its own health insurance program for employees. The second column in the table exhibits the amounts the physician billed the company for services rendered the employee. The third (rightmost) column shows the amount the physician was charged by the outside laboratory (SKCL) that processed the tests. It is seen that, depending on whether or not the laboratory grants the physician a volume discount, his mark-up over costs was either \$298 on costs of \$190 (156 percent of costs) or \$374 on costs of \$114 (328 percent of costs). If now, as part of a cost-containment strategy, the Caterpillar Tractor Company sought to reduce the physician's markup to, say, a mere 100 percent above costs, could the firm's cost-containment program fairly be accused of assaulting the "quality" of health care, or even of rationing health care outright?

TABLE 3.—CHARGES TO INSURER AND COSTS TO THE PHYSICIAN FOR A SERIES OF DIAGNOSTIC TESTS ORDERED FOR 1 PATIENT DURING 1 OFFICE VISIT

	Charges to insurer	Costs to physician
Chem 23	\$30	\$10.00
HDL	60	(1)
Electrolytes	40	(1)
RA factor	18	8.00
Sed. rate	20	7.00
Thyroid panel	60	14.00
TSH	60	37.00
Estrogen	90	53.00
Progesterone	80	49.00
CBC	20	6.50
UA	10	5.50
Total	488	190.00
Net markup (profit)	298	

<sup>1</sup> Included in chem 23.

Also, the mail order lab's common practice is to discount charges by 40 percent to physicians with any volume. If this is the case here, then 60 percent x 190 = \$114 charge on \$488 billed to insurance as minus \$114 equals net mark up of \$374 on one patient.

Source: Data supplied by the Caterpillar Tractor Co.

In connection with diagnostic tests, the preceding illustration does not seem an isolated case. In an advertisement of its AV-1000™ test equipment, for example, the producer of that equipment advised prospective clients (physicians) that the "typical scheduled reimbursement for the complete AV-1000™ test is \$130" and that, at that price per test, the outlay of \$4,995 for the equipment will be recouped in four months at only 10 tests per month and in six weeks at 30 tests per month. The advertisement further advises physicians that "scheduled reimbursement in the South Florida metropolitan area for venous and arterial testing is \$125-\$250." It may reasonably be assumed that, upon perceiving these fees, the producer of the equipment will not have been dainty in setting the markup over true manufacturing costs to arrive at the price tag of

\$4,995. Another manufacturer, promoting its VISION™ blood-test equipment, suggests in its "profit worksheet" for the physician a payback of 5.8 months for that equipment. Surely these high markups for diagnostic tests and the unusually fast payback periods for the diagnostic equipment are feasible because the market for tests of this sort is far from perfectly competitive. This circumstance, in turn, raises the question: What lifestyle ought the use of such tests by patients bestow upon the producers of the diagnostic equipment and the physicians who purchase and use that equipment?

The questions raised above can be broadened to the entire American health care scene. Throughout the 1980s, the providers of health care in the United States have lamented loudly over sundry meek attempts at cost containment by government and business. There have been dark hints that the money budgets allocated to health care have been brutally slashed by both players, and that these cuts are inexorably pushing the United States health sector toward the type of rationing practiced by the much-lamented British National Health Service.

There has, in fact, been a marked reduction in hospital admissions and in average length of stay per admission in the United States since 1980. There has also been a reduction in the number of physician visits per capita (Reynolds and Duann 1985, 25). And there have appeared in newspapers throughout the country disturbing anecdotes of outright denial of critically needed health care to poor, uninsured patients (in this connection see, for example, Reinhardt 1986; Robert Wood Johnson Foundation 1983), sometimes within sight of otherwise idle health care resources. Are these contractions in the flow of real health services to patients an unavoidable consequence of a corresponding contraction in the flow of money to the American health sector?

Actually, it would be difficult to support that hypothesis with the available data on aggregate health expenditures. If anything, the aggregate flow of financial resources to the American health care sector appears to have increased apace since 1980, whether one measures it in current dollars, in constant-purchasing-power dollars, or by the percentage of the GNP devoted to health care. In 1980, for example, Americans transferred 9.1 percent of their GNP to the providers of health care. By 1984 that percentage had increased to 10.3 percent of a then larger GNP. As already noted, by 1985 it had grown to 10.7 percent of a still larger GNP. It is a good bet that it will have climbed further toward 11 percent of the GNP in 1986.

The driving force behind this increase in national health expenditures appears to have been rapid increases in the money transfer per unit of health resource (prices) the providers of health care have been able to extract from patients or third-party payers (table 4), in spite of the fact that there is vast excess capacity in the hospital sector and that physicians are now generally believed to be in surplus, factors that would have depressed prices in a properly functioning market. . . .

TABLE 4.—Trends in the Consumer Price Index, United States, 1986

	Percentage increase, Dec. 1985 to Dec. 1986
CPI-U, all items	1.1
CPI-U, all services	4.4
CPI-U, medical care services	7.9
Physician services	7.8
Hospital room	7.7
Prescription drugs	9.0

Source: U.S. Bureau of Labor Statistics 1987, table 1.

To sum up at this point: The link between the financial resources made available to a health care sector and the real health care resources that sector makes available to patients is actually quite loose. That link may be thought of as the lifestyle the providers of health services can extract from the process of caring for patients. Figuratively speaking, if the providers can somehow insist upon driving Cadillacs, then a given money budget set aside by society for the health care sector will make available to patients fewer real health services than would be available if providers could be induced somehow to make do with Chevrolets. The relation between the upper and the lower loops in figure 1, is as obviously simple, and as complex, as that.

#### RESOLUTION OF CONFLICT OVER RESOURCE ALLOCATION IN HEALTH CARE

Because the economic lifestyle espoused by providers of health care so crucially affects the patient's welfare, the question arises whether there exists an objectively determinable "proper" relation between the two resource transfers in figure 1 and, if so, what mechanism best assures the establishment of that proper relationship?

The data in table 6, for example, suggest that the generosity of nations toward their physicians varies considerably. This raises the question whether British, Italian, and French physicians are underpaid, or American and West German physicians are overpaid, or whether both might be the case. More broadly put, the question becomes what slice of its GNP society should permit the providers of health care to claim as a reward for services rendered patients.

TABLE 6.—NET PRETAX PRACTICE INCOME OF GENERAL PRACTITIONERS AS A MULTIPLE OF AVERAGE EMPLOYEE COMPENSATION AND GROSS DOMESTIC PRODUCT PER CAPITA, CIRCA 1978

Country	Ratio of physician net income to:	
	Average employee compensation	Gross domestic product per capita
West Germany (G.P.s)	4.7	7.4
United States (all M.D.s)	4.5	6.5
(G.P.s)	3.9	5.6
Japan (all M.D.s)	3.8	6.2
France (G.P.s)	2.8	4.5
Great Britain (G.P.s)	2.1	4.3
Italy (G.P.s)	1.8	3.8

<sup>1</sup> Relatively few American physicians are general practitioners and these earn relatively low incomes. For all American physicians the ratio was 4.5 in 1975, and 4.6 in 1983.

<sup>2</sup> For Japan the numbers represent the 1975 income of all physicians. Source: Data for Japan from Nishimura 1981, table A-4. Data for all other countries from BASYS (1986), table D 10. Reprinted by permission from Reinhardt 1985.

#### CONTINUED NUCLEAR TESTING NOT NECESSARY, STUDY SAYS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. MARKEY. Mr. Speaker, an article in yesterday's Los Angeles Times reports a distinguished scientist from the Lawrence Livermore Laboratory has concluded, after an extensive review of nuclear test data, that continued nuclear explosive testing is not needed to assure the continued reliability of the exist-

ing nuclear stockpile. As this issue has a direct bearing on our deliberations on nuclear test limits, I encourage all of my colleagues to read it.

The article follows:

#### CONTINUED NUCLEAR TESTING NOT NECESSARY, STUDY SAYS

(By Robert Scheer)

LIVERMORE, CALIF.—A new classified study by a senior physicist at the Lawrence Livermore National Laboratory has concluded that the lab's director was incorrect when he told Congress that continued nuclear testing is required to ensure the reliability of the U.S. nuclear arsenal.

The study, the most detailed of the U.S. nuclear testing program ever undertaken, appears to provide factual support for an emerging body of scientific opinion critical of the Defense Department's insistence on continued testing. Last week, a report by University of California scientists concurred in the Livermore study's overall conclusions, and at least two leading weapons scientists recently have written to Congress questioning the continuing need for testing.

The views set forth in these studies and letters contradict written testimony delivered to the Senate Armed Services Committee earlier this year by Roger Batzel—director of one of the country's two nuclear weapons labs. He alleged that "one-third of all modern weapons designs placed in the U.S. stockpile have required and received post-deployment nuclear tests for resolution of problems. In three-fourths of these cases," Batzel wrote, "the problems were discovered only because of the ongoing nuclear testing."

The accuracy of that statement has become a matter of unusual importance because it subsequently has been echoed by Secretary of Defense Caspar W. Weinberger and others within the Administration who oppose pending legislation to significantly lower the permissible size of U.S. nuclear tests. The question of Weinberger's views took on additional importance Thursday, when Secretary of State George P. Shultz and Soviet Foreign Minister Eduard A. Shevardnadze announced the resumption of negotiations on a comprehensive test ban.

"Any claim that nuclear testing is unnecessary is simply and demonstrably false," Weinberger argued in *The Times* last May. "Over one-third of all nuclear-weapons designs introduced into our stockpile since 1958 have encountered reliability problems," he wrote, "and 75% of these were discovered and subsequently corrected thanks to actual explosive testing."

Those assertions are directly contradicted in a new study by physicist Ray E. Kidder, a 31-year veteran of the nation's nuclear weapons program and the author of more than 100 classified reports on the weapons' design and effects.

After finishing the most thorough review of classified test data in the history of the U.S. arms program, Kidder bluntly summarized for *The Times* the conclusion of his still-secret report:

"The bombs work," he said "They'll blow up whatever you want to blow up, a city or a dam. You don't need to test them anymore; they work. Maybe Weinberger doesn't know that, but I've studied the data and it's true."

Kidder said that his five-month study—which was made at the request of House Armed Services Committee Chairman Les Aspin (D-Wis.) and five other congressmen—shows that weapons removed from the stockpile and tested at random have proved remarkably accurate and that most of the problems cited by Weinberger oc-

curred decades ago and have no bearing on the reliability of the current arsenal.

The Livermore physicist contends that not one warhead properly tested in the first place and used for its intended purpose has required retesting.

Kidder's overall conclusion was corroborated Thursday in a report to the UC Regents, who operate the Lawrence Livermore and Los Alamos weapons labs for the government. Acting on a request by faculty members, the university had asked its Scientific and Academic Advisory Committee to investigate the reliability question.

"We conclude," the committee wrote, "that the weapons currently in the stockpile are remarkably robust and designed so as to minimize the requirements for continued nuclear testing to assure their reliability."

Kidder's report currently is making its way through the Livermore and Energy Department clearance procedures. But he agreed to disclose some of his non-classified conclusions because he believes that Batzel, Weinberger and other test ban opponents are using a spurious technical argument to derail a policy they oppose.

"The public is being hoodwinked," Kidder charged.

At least one other veteran Livermore physicist, Hugh E. DeWitt, concurs not only in Kidder's technical conclusion but also in his charge that test ban opponents are manipulating classified information in support of their objections. In a letter last June to Rep. Edward J. Markey (D-Mass.), DeWitt wrote:

"Clearly Dr. Batzel's statement is considered to be extremely important by high-level officials in the U.S. government. The statement is based on classified weapons testing data. The accuracy of the statement can be independently judged only by an examination of this classified data and this data is not normally available to most of the audiences . . . who hear the statement from U.S. government representatives. Dr. Kidder and I have examined the classified data on which the statement is based and we conclude that Dr. Batzel's statement is misleading to the point of being false. Dr. Kidder will back this up in a classified report. . . ."

"In my opinion, as a longtime staff member of the Livermore lab, the main purpose of present-day nuclear testing is not to identify and correct stockpile reliability problems but to develop new nuclear weapons [often called modernization]."

"Batzel's alarming statement to the Senate Armed Services Committee is a scare story that does not hold up when the supporting classified testing information is examined. His statement is a serious misuse of classified information. He could get away with it only on the assumption that nobody outside the weapons labs would challenge his statement by actually examining the classified data."

DeWitt, restricting his comments to unclassified data, argued that Batzel's claim to Congress that one-third of the weapon designs required retesting was based on a group of 14 warheads. DeWitt noted—and the lab's directors agree—that all of those problems were subsequently solved and that there is no reason to think there is a current problem with any weapon in the stockpile.

Kidder and DeWitt further contend that most of the 14 cases do not involve "modern weapon designs," as Batzel claimed. In fact, nine of them—four strategic and five tactical warheads—date back more than two decades. Three of the nine are not even in the stockpile at this time.

Seven of those nine shared common problem that in the words of physicist George Miller, Livermore's associate director, "had to do with unexpected effects of radioactive aging of the boost gas [tritium]." Kidder noted that this problem was cleared up in the early 1960s and is not a factor in more recent weapons designs. The other two weapons—the warheads for the Sergeant and Polaris ballistic missiles—are among the three no longer in the arsenal.

According to Kidder and the UC report, only five warheads tested in the last 10 years are relevant to the discussion of current arsenal reliability.

Of those five, Kidder said, three—the B-61 tactical bomb, the air- and sea-launched cruise missile and the ground-launched cruise missile—were not tested under low temperature conditions before being put into the stockpile. Subsequently, scientists at Los Alamos realized that the cruise missile would be carried under the wings of B-52 bombers at high and, therefore, very cold altitudes. At that time, low temperature tests were ordered for all three warheads.

The other two—the warhead for the Poseidon missile and an eight-inch artillery projectile—required retesting because they were substantially modernized.

Kidder concludes that none of the examples cited by Batzel justify the argument that continued testing is required to ensure the reliability of previously tested modern weapons.

The Livermore physicists' study will be submitted to Congress sometime in the next few months, along with another report by associate director Miller.

Miller would not comment on his findings, but if it follows the recently expressed position of the lab management, it will probably accept Kidder's basic contention that the nuclear stockpile is robust. But it will argue that this is true only because of past testing and that such testing is required to ensure future reliability. Livermore director Batzel refused to respond to The Times' questions on this subject.

During its last session, the House—acting in response to a recent series of Soviet initiatives in pursuit of a comprehensive test ban—approved a measure reducing the permissible size of U.S. and Soviet nuclear tests from 150 kilotons to five or less. The Senate also passed a non-binding resolution requesting the President to pursue such an agreement. The measure has been reintroduced in the current session.

Weinberger, Batzel and Siegfried Hecker, director of the Los Alamos lab, have consistently opposed these proposals. Their critics, such as Kidder and DeWitt, contend that the secretary and lab directors actually are concerned that a test ban would seriously, if not fatally, hobble key elements of President Reagan's Strategic Defense Initiative, including the nuclear pumped X-ray laser, which is being developed at Livermore.

Advocates of a very low level nuclear testing threshold or of a comprehensive test ban tend to favor this policy because they believe it would curtail the nuclear arms race. Developing new nuclear weapons, including the X-ray laser, would require rather large explosions. Just how large is a matter of some debate but there is little disagreement that a five-kiloton testing threshold would prevent serious advances on the project.

Whatever its impact on the "Star Wars" project, congressional efforts to reduce or halt U.S. nuclear testing previously have foundered on two technical objections:

Could the United States verify that the Soviets were not cheating on such an agreement? Could America ensure that its nuclear deterrent was survivable and reliable without testing?

In recent years the matter of verification of a test ban agreement has receded. New and more sophisticated methods of verification involving seismological techniques as well as satellite surveillance have refined the nuclear detectives' art.

Recently, the Soviets have indicated that they would accept onsite inspection and, indeed, teams of U.S. scientists are currently in the Soviet Union on a private basis evaluating geological conditions close to the test site.

Top Soviet scientists stated that they would accede to a U.S. request to conduct Cortex monitoring of their test sites. This procedure is more invasive of a nation's security because it involves drilling a second hole parallel and close to the one with the explosion and subsequently revealing much more about the nature of the explosion than through seismological means.

Because of all of these improvements, verification no longer looms as a matter of serious controversy. The lab directors themselves have testified to Congress that they do not believe the Soviets have been cheating on the existing test ban treaty.

So, with the verification issue removed, the technical argument against a test ban now rests on the matter of stockpile reliability.

Frederick Reines, the UC Irvine physicist who directed the report for the regents, tends to side with Livermore's Kidder and DeWitt on this question. U.S. nuclear weapons, he said, are designed "to last one hell of a long time. . . . We should not be prevented [by doubts of stockpile reliability] from thinking in a constructive way about the possibilities of test bans. We are not precluded from this by any means."

Physicist J. Carson Mark, who headed Los Alamos' nuclear weapons design program for almost 20 years, echoes DeWitt's contention that the current debate may not be about the reliability of the existing weapons but about the lab's ability to produce new ones. In a letter to Sen. John Glenn (D-Ohio), Mark wrote: "It is extremely rare—and, in fact, may never have happened—that a unit has been selected from the stockpile and fired just to make sure that it still performed. Obviously, one would learn very little from such a procedure. . . . In practice, confidence in reliability has been based on a stockpile surveillance program whereby on a scheduled basis units are pulled at random, disassembled and subjected to intensive examination to ascertain if any changes appear to be taking place."

However, Mark said his view—one which he shares with Batzel and Kidder—is that without testing a nation cannot "have . . . new weapons or weapons modified."

"Do you want new weapons or not? That," Kidder said, "is the only real question."

#### JIM BUTERA: AN INSIDE PLAYER

### HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. MANTON. Mr. Speaker, I would like to call my colleagues attention to an article

which recently appeared in the National Journal. The article entitled "A Banking Lobbyist Who'll Go the Distance" focuses on James J. Butera, vice president of the National Council of Savings Institutions.

Mr. Speaker, as a member of the Committee on Banking, Finance, and Urban Affairs, I have had the good fortune to work with Jim on a regular basis. In that regard, I have come to know him to be one of the most effective lobbyists who works the Banking Committee. Jim is always well informed on any issue he is handling, and never attempts to place a member in an untenable position. I am certain my colleagues on the committee would agree with my assessment that Jim Butera is an excellent advocate for the National Council of Savings Institution's interests on Capitol Hill. He is indeed an inside player.

Mr. Speaker, I include the article on Mr. Butera in the RECORD at this point.

#### A BANKING LOBBYIST WHO'LL GO THE DISTANCE

(By Margaret E. Kriz)

As James J. Butera knows only too well, trying to represent the nation's savings banks on Capitol Hill can be a tricky matter when the woes of so many ailing thrifts and commercial banks are dominating the headlines.

Neither fish nor fowl, the traditional savings banks pay interest on savings deposits and emphasize home mortgages. But most are insured by the banks' Federal Deposit Insurance Corp. (FDIC). The distinctions could easily have been lost in the tricky negotiations that preceded passage of the Competitive Equality Banking Act, signed into law last month. Instead, the savings institutions emerged relatively unscathed.

Much of the credit for the success goes to the National Council of Savings Institutions and to Butera, the council's chief congressional lobbyist. It helped, of course, that the 445 savings banks, most of which are located in the Northeast, are arguably among the nation's healthiest financial institutions, earning a cumulative \$1.8 billion in 1986, according to government figures.

The savings banks had a few close calls before the banking act cleared Congress. For instance, early versions would have stopped them from selling life insurance once they had become bank holding companies and would have required them to maintain at least 65 per cent of their assets in home mortgages. Both provisions were eventually scrapped.

"Politically, he has a tremendous sense of timing," said Richard W. Peterson, a staff member of the House Government Operations Subcommittee on Commerce, Consumer and Monetary Affairs, who worked with Butera in the early 1970s at the American Bankers Association (ABA). "He focuses in the clutches, when the real action is taking place."

Lewis H. Nevins, former director of the council's Washington office, said of Butera: "He's not just some gladiator; he understands the scholarship of what he's talking about."

A Senate aide who helped draft the banking bill was somewhat less laudatory, saying that Butera lost ground in early rounds "because he tried to throw his weight around," but that he recouped by working with the other players as the final language was being drafted.

Peterson agreed that, professionally, Butera's one fault lies in his "insular view of where the thrift industry is going."

In an interview, Butera, 42, admitted that he is somewhat myopic about the needs of the savings banks and the large savings and loans. But he argued that unlike other financial groups, the council doesn't try to limit other financial institutions' powers as it pursues its own goals. "Our approach is to live and let live," he said. "We want to be in the securities business, so the last thing we're going to do is say nonbank banks shouldn't own banks."

A former marine who earned a Bronze Star and a Purple Heart during two tours in Vietnam, the 14-year veteran of the capital's lobbying was vigorously looks after the banks' interests in Washington legislative and regulatory circles. But he skips power lunches to train for the Nov. 8 Marine Marathon every afternoon.

A graduate of the Georgetown University Law Center, Butera joined the ABA's legal department in 1972. He moved to the savings bank group 18 months later, drawn by the promise of wider-ranging responsibilities that encompassed not only legal matters but lobbying and federal regulatory issues as well. The council, which also represents 180 large S&Ls and 27 savings banks insured by the Federal Savings and Loan Insurance Corp., has a \$9 million annual budget and 85 employees, half in Washington and half in the council's Fairfield (Conn.) education center.

Butera recalled that perhaps his most important lobbying lesson came in the early 1970s, when commercial banks and S&Ls asked Congress to stop savings banks from offering interest-bearing demand accounts, known as NOW accounts. The battle ended with the savings banks being allowed to offer the accounts only in the two states where they already existed. Eventually, the accounts' popularity led to their adoption by the same banks and thrifts that had opposed them.

"It was astonishing to me how the right idea and a few friends in Congress can beat the odds," Butera said.

Now that the banking bill is behind him, Butera has a new goal: completing the 26-mile Marine Marathon in less than three hours, a time that would have placed him in the top 6 percent of the 7,913 people who ran the race in 1986. Using the same approach he uses in long-distance lobbying, Butera is depending on work and determination to pull him through; two years ago, he ran the marathon in 3 hours, 15 minutes.

## SALUTE TO MARITIME DAYS AT CHANNEL ISLANDS HARBOR

### HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. LAGOMARSINO. Mr. Speaker, I would like to bring to the attention of my colleagues the first annual Maritime Days at Channel Islands Harbor, Oxnard, CA, on October 2 through October 4, 1987.

Maritime Days is a community event organized by volunteers and coordinated by the Channel Islands Harbor Association and the Oxnard Convention and Visitors Bureau.

Honoring the bicentennial of the Constitution, the opening event will be a reenactment

of the Boston Tea Party followed by a pancake breakfast on October 3 and then a tallship race featuring seven California tallships including the official State tallship, the *California*. Additional events include a chowder cook-off, arts and crafts fair, boat show, exhibits, musical entertainment and a maritime file festival featuring "Mutiny on the Bounty," "Captain Blood," "the Seahawk," "Tripoli," and "the Buccaneer."

The Ventura County Board of Supervisors has declared the month of October as "Maritime Month" in conjunction with this program.

Please join me in best wishes for a successful Maritime Days at Channel Islands Harbor, and for bigger and better Maritime Days in the future.

## CIVIL LIBERTIES ACT OF 1987

### HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. CLAY. Mr. Speaker, I commend the House for the passage of the Civil Liberties Act, H.R. 442, providing restitution for Japanese-Americans whose civil liberties were violated during World War II.

I would also like to take this opportunity to share with my colleagues an article which I wrote 6 years ago, August 10, 1981, concerning the pain and suffering which was brought by Executive Order 9066:

#### IN THE SHADOWS OF HISTORY

While many occurrences in American history, such as the Vietnam War, Watergate and the McCarthy witch hunts have been openly discussed and debated, others remain dimly concealed in the shadows of history. One such shadowy event centers on the internment of Japanese-Americans during World War II. A little background information is needed to remind us of what took place.

On December 7, 1941, the American bases at Pearl Harbor were attacked by military forces of the Empire of Japan. The next day, President Franklin D. Roosevelt received from Congress a declaration of war. But during the next few months, the situation worsened. The Japanese army and navy were successful in capturing a number of strategic bases and islands, which resulted in a mood of fear and panic in the U.S., especially on the West Coast. Many people expected San Francisco or Los Angeles to be the next target of the Japanese.

Out of the hysteria of the times came one of the darkest moments in the history of the United States. On February 19, 1942, President Roosevelt signed Executive Order 9066, which provided for the forced removal of 120,000 persons of Japanese descent from the three West Coast states, plus Arizona, and relocated them in ten camps throughout the Western states.

The removal of these people was bad in itself. But the even sadder fact is that over 77,000 of them were citizens of the United States. However, they were treated in a way that few citizens have ever experienced. Many of their Constitutional guarantees were either violated or suspended. Luckier ones were given a week's notice of their relocation so that they could sell or store their possessions. Most were not so lucky, having to dispose of their things in a day or two.

Many were forced to sell at prices far below the real value of their possessions, others had their belongings taken by neighbors or confiscated by the government.

Upon their arrival at inland towns like Manzanar, their belongings consisting mainly of that which they could carry, they were greeted by a sight that would repel most Americans. Their "homes" for the next three years were to be the relocation camps. Surrounded by barbed wire and watchtowers, the buildings were originally little more than tarpaper shacks that couldn't even keep out the sand. Most of the bare necessities of community life were missing. Although conditions were to improve over the next couple of years, these camps remained far from being homes to those forced to live in them.

Many Americans are either ignorant of these facts or choose to forget them. However, we must never forget what we did to our fellow citizens. We must remember that, despite our protestations, it *can* happen here. Unfortunately, we cannot go back and correct our wrongs in this case, just like we cannot go back in other cases. However, there is a partial way to right the wrongs of the past: that is by providing compensation to those who were relocated, or to their children. With this, we can pay them back for the property they lost. By our recognition of what happened, and by compensation, we will be able to start to pay back what we owe these people. Unfortunately, we will never be able to pay them back for the time stolen from them, or for the pain and suffering they endured.

## TWO NEW CHILD PROTECTION BILLS

### HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. SMITH of Florida. Mr. Speaker, although we have worked hard and long on protecting our children, we must continue fighting the grave problems that confront them in two areas. Unfortunately, the number of children who have been abducted and victimized by child pornographers is still too high. In response to these cruel-hearted crimes, I am introducing two pieces of legislation.

The first bill further cracks down on child pornography by bringing it under the Racketeer Influenced and Corrupt Organization [RICO] statute. I believe this to be an effective way to continue the work of recent Congresses in this area.

Those engaged in a pattern of child pornography distribution would be subject to criminal penalties of up to 20 years imprisonment, forfeiture of any property acquired as part of a pornography enterprise, and a fine of up to \$25,000.

Until we integrate the sexual exploitation provisions with RICO, our children may have little or no access to remedies under the law and limited or no availability of injunctive relief against the publication and dispersion of child pornography.

The second piece of legislation imposes harsher measures on nonparental child kidnapers. The abduction of children has had tragic results in south Florida's recent past.

Over 1,800,000 children disappear from their homes in the United States each year. Many run away. Too many, however, are abducted.

The crime of abduction is complicated by evidence of interstate transportation and different State laws which makes it difficult to apprehend and convict the abductors. This problem necessitates my bill to impose harsher sentences on those who prey on our children. This legislation would provide for a mandatory life sentence without parole for any nonparent who abducts a minor.

Current Federal kidnaping statutes are inadequate. In a kidnaping case, the kidnaper usually requests the parent or guardian to take action, such as pay ransom, or not take action, such as not testifying against him. In many child abduction cases, however, the abductors are only interested in exploiting and abusing children and never contact the parents for money. We must fill the gap with this legislation by initiating Federal involvement in nonransom abduction cases.

As legislators we must enact appropriate measures to severely punish those who exploit and harm children. The tragic truth remains that, when one child dies due to abduction, it is one too many.

#### A CONGRESSIONAL SALUTE TO CALVIN W. STEIN

**HON. GLENN M. ANDERSON**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. ANDERSON. Mr. Speaker, it is my distinct honor to rise today to pay tribute to a man who exemplifies the very meaning of the word successful. Calvin W. Stein is worthy of such praise and will be honored at a very special retirement luncheon October 7, 1987 at the Stouffer Resort in Orlando, FL. Only the press of our congressional schedule keeps me from joining Cal for this significant event.

Calvin W. Stein is a native of the city of Baltimore, MD. Upon graduating from Catawba College in North Carolina, Calvin joined the Industrial Traffic Department of the Chevrolet Motor Division, General Motors Corp. in 1941. His new career with General Motors was suddenly interrupted, as he was called for active duty with the U.S. Naval Reserve in July, 1942.

A loyal American and a true patriot, Calvin W. Stein served his country well, displaying an aggressive determination and a sense of leadership not found in most. He served in the Navy's Atlantic Fleet during a very volatile period in World War II. Calvin commanded subchasers and patrol craft in the Atlantic Fleet until returning to inactive duty in November, 1945. His ties to our country's military service were not severed then however, as he remained active in the Naval Reserve Program while pursuing his professional studies in transportation and material handling at the University of Baltimore.

In November 1950, Cal was again called upon by the U.S. Navy to serve his country in the Korean war. Cal did not hesitate to serve his country again, putting a potentially prosperous career on hold and rising to the call of

his country at war. Having served a year on the staff of the commander, Transport Squadron II, U.S. Atlantic Fleet, Cal felt his expertise in transportation and material handling would be better served in the Navy's Supply Corps, and requested a transfer. Upon having his request granted, Cal served in the capacity of traffic branch officer and material division officer, at the U.S. naval supply facility, naval supply activities, Brooklyn, NY from November 1951 until April 1954. Even after he again returned to civilian status, his interests in the Naval Reserve remained until he retired as a commander in 1966.

Cal's strong abilities to organize and manage served him well in the business world, as he was affiliated with several domestic household goods van lines in management capacity. In 1969, he was elected president of the Household Goods Forwarders Association of America Inc., after having previously served on its executive board since the association's inception in September 1962. The Household Goods Forwarders Association of America, Inc., which has offices located at 1500 Massachusetts Avenue, NW, Washington, DC, represents 79 thru-bill, door-to-door, containerized exempt forwarders, and in addition, has in excess of 564 associate members domiciled in the continental United States and 69 foreign countries.

Mr. Speaker, as you can see, Mr. Calvin W. Stein has had a positive impact on all that he has ever attempted. He has given much of himself and has helped make his community of Fairfax, VA a special place. He is a doer, an achiever, a credit to himself and to his country. My wife, Lee, joins me in congratulating Calvin on all his accomplishments. We wish him and his wife, Mary, and their daughter, Nancy, happiness and all the best in the years ahead.

#### A BILL TO STRENGTHEN THE U.S. FISHING INDUSTRY

**HON. ROD CHANDLER**

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. CHANDLER. Mr. Speaker, I am today introducing a bill that would serve to strengthen the vitally important U.S. fishing industry. This bill, which would amend the Internal Revenue Code to treat fishermen on large and small boats the same, would continue the work of encouraging the development of an efficient, world-class fishing industry that this Congress began in 1976 with the adoption of the Magnuson Act and the Sternman's Exemption Act and that has been carried on by the growing U.S. commercial fishing industry.

In 1976, in enacting the Magnuson Act, Congress extended U.S. territorial waters to 200 miles from our shore for the purpose of encouraging the growth of a new fishing fleet that could compete better with foreign fishing boats that had been reaping huge harvests in those waters. At that time, we expressed the desire that the U.S. fishing fleet "characterized by old vessels . . . , relatively inefficient, and subject to high and rapidly increasing insurance rates" would be able to "attract new

capital, technology and young fishermen" needed to rejuvenate our fishing fleet as a source of income, jobs and food.<sup>1</sup>

In 1976, Congress also adopted the Sternman's Exemption Act that acknowledged that fishermen whose sole remuneration was a share of the catch from the boat on which they worked were independent contractors within the meaning of the Internal Revenue Code. In recognizing fishermen as independent contractors, that act focused on the traditional independence of U.S. fishermen and, most importantly, the fact that most fishermen are paid based entirely on their success. The Sternman's Exemption Act also was intended to encourage the U.S. commercial fishing fleet by removing a substantial administrative burden from boat captains that had been required to report income for crew members even though a boat's crew was likely to change every time that the boat put to sea.

These two acts have been remarkably successful. A new U.S. commercial fishing fleet is harvesting more fish and a greater share of the total catch in U.S. waters. Using larger, more efficient boats that work further from shore, this new fleet is creating jobs and encouraging the export of its catch, particularly to Japan. Further, these new, larger boats are safer than the smaller, older boats that had dominated the U.S. industry. The success of this new fleet is something that we can all be proud of.

It is now time, however, to again amend our tax law so as not to discourage the continued growth and success of this industry. In 1976, in adopting the Sternman's Exemption Act, Congress limited independent contractor status to fishermen from boats with crews of ten or less. When adopted, the act adequately reflected the condition of a fishing industry that was made up of aging, smaller boats. Even then, however, Congress specifically noted that the primary factor in granting fishermen independent contractor status was the fact that fishermen are paid solely on the basis of their success, not the size of the boat on which they fished. Today, the larger, more efficient, safer boats that are increasing the vitality of the U.S. industry cannot meet the arbitrary standard of 10 or less crew members, but the fishermen continues to be independent and are paid solely on the basis of the catch. I propose that the arbitrary limitation on the size of the crew be removed so that the growth and success of the U.S. fishing industry will not be impeded.

I should specifically note that this bill would not result in a loss of revenues. The total tax due would remain the same. The only change would be to remove the considerable administrative burden on boat captains that must now report tax data for crew members who tend to change each time the boat leaves port.

This bill is good for our fishing industry, but it is also good for all of us. When we can encourage an export-oriented, job-creating industry by removing an unnecessary administrative burden, I believe that we should do so.

<sup>1</sup>1976 U.S. Code Cong. & Admin. News 602.

## ETHNIC AMERICAN DAY

**HON. WILLIAM O. LIPINSKI**

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. LIPINSKI. Mr. Speaker, as chairman of the Democratic Council on Ethnic Americans, I rise today to inform my colleagues that yesterday, September 20, 1987, marked the celebration of Ethnic American Day.

For years, men, women, and children from many different lands have journeyed to America, often with nothing but their hopes and dreams, in order to begin a new life—so different from the harsh reality of poverty and totalitarian rule which many of them experienced in their native lands.

The promise of America, with the opportunity we have to achieve so much for ourselves and our families, and to exercise so many freedoms, is perhaps most cherished by ethnic, immigrant families. For it is they who often began with little of the privileges we enjoy and usually take for granted.

Many ethnic Americans have come from Communist-ruled countries and have firsthand knowledge of what it means to live under a system completely indifferent to human rights and liberties. It should come as no surprise that these Americans see communism for what it is and are staunchly supportive of efforts to make certain it gains no more footholds in the world.

Through their determination and will to remember their heritage with pride, ethnic Americans have contributed so much toward the rich diversity of our country and have enabled our Nation to maintain close ties with many different and varied regions of the world.

On Ethnic American Day we pay tribute to the perseverance of these proud Americans who have struggled and succeeded over the years to make a better life for themselves in America. Even more we recognize the enormous contributions they have made to the very fabric of our society.

A TRIBUTE TO MAJ. GEN.  
JEROME WALDOR**HON. DEAN A. GALLO**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. GALLO. Mr. Speaker, it is unfortunate that the contributions of the men and women of our armed services often go unrecognized. And to fail to recognize those who have spent a lifetime in the service to their country would be a gross injustice. It is for this reason that I rise today on the occasion of the retirement of Maj. Gen. Jerome Waldor from the U.S. Air Force after an Active and Reserve career spanning 37 years in the service of his country.

General Waldor was born September 21, 1927, in Newark, NJ. Upon graduation from Weequahic High School, he enlisted in the Navy V-5 Program in 1945. While in preflight training, he received an appointment to the U.S. Military Academy, West Point, NY, in

## EXTENSIONS OF REMARKS

1946. After graduation in 1950, he was commissioned a second lieutenant in the U.S. Air Force. General Waldor completed both the Air War College and Industrial College of the Armed Forces in 1971, by correspondence.

Upon receiving his commission, General Waldor was assigned to the navigator-bombardier-radar operated program. He attended training at Ellington Air Force Base, TX, and Mather Air Force Base, CA, where he was awarded his wings in 1951. He was then assigned to the 85th Bombardment Squadron, 47th Bombardment Wing, Langley Air Force Base, for B-45 combat crew training. The general flew with the wing to Royal Air Force Station Sculthorpe, England, in 1952 and served as a crew member and assistant operations officer for the 85th Bombardment Squadron until June 1954. He then moved to McGuire Air Force Base, NJ, as administration officer until his discharge from active duty in December 1954.

General Waldor was commissioned a captain in the Air Force Reserve in December 1954 and assigned to the Air Reserve Center in Newark, NJ. He subsequently joined the 8459th Air Terminal Squadron at McGuire Air Force Base. In 1960, while at McGuire, he organized and commanded the 5th Military Airlift Support Squadron. In 1973 he served as mobilization augmentee to the deputy director of transportation at Headquarters U.S. Air Force, Washington, DC. General Waldor transferred to the Defense Logistics Agency, Cameron Station, VA, in April 1978, as mobilization augmentee to the assistant director for plans, programs, and systems.

In January 1982 he became mobilization assistant to the deputy chief of staff for logistics and engineering at Air Force Headquarters. He was assigned as mobilization assistant to the vice commander, Air Force Logistics Command, Wright-Patterson Air Force Base, OH, in July 1983. He assumed his duties as mobilization assistant to the deputy chief of staff for logistics at Headquarters Tactical Command, Langley Air Force Base, in May 1985.

His military decorations and awards include the Legion of Merit, Air Force Commendation Medal, World War II Victory Medal, National Defense Service Medal, Air Force Longevity Service Award Ribbon with eight oak leaf clusters, Armed Forces Reserve Medal with hourglass device, and Small Arms Expert Marksmanship Ribbon.

In his civilian capacity General Waldor is president of the Brounell-Dramer-Waldor Agency, a general insurance agency in Union, NJ, and director and chairman of the board of the Inter-Community Bank of Springfield, NJ.

General Waldor's civic affiliations include past president of the North Jersey Tennis Association; president of the East Orange Tennis Club; member of the board of overseers of the Jewish Chapel, U.S. Military Academy; trustee of the Jewish Community Federation of Metropolitan New Jersey; Society of Charter Property and Casualty Underwriters; Professional Insurance Association; Independent Agents Association; Reserve Officers Association; Air Force Association; West Point Society of New York; and vice president of the Daughters of Israel Geriatric Center.

General Waldor is married to the former Rita Kaden of Newark, NJ. They have three sons: Marc, Matthew, and Peter.

Mr. Speaker, today Major General Waldor has officially retired from the U.S. Air Force. I am confident that he will continue to serve his country as a private citizen with the same dedication and commitment that marked his 37 years of service to the U.S. Air Force.

BICENTENNIAL CELEBRATION  
OF AME CHURCH**HON. MIKE ESPY**

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. ESPY. Mr. Speaker, the African Methodist Episcopal Church is celebrating its bicentennial this week. The AME Church is one of the greatest voluntary organizations in the country today. The AME ministers and their congregations are constantly serving their communities and assisting those who need a helping hand. But, the AME Church has always had a record of solving society's problems since its inception 200 years ago in 1787.

I am proud to be a part of the AME's bicentennial celebration and to highlight the contributions of the AME Church during this country's antislavery movement, the civil rights movement, and the movement today to ensure justice for all. Before I can go any further, though, I must mention that one of the greatest AME ministers stood in my shoes more than 100 years ago in Washington, DC. He was Rev. Hiram Revels, of Mississippi, the first U.S. Senator of African descent.

Many other AME ministers went to Congress and became prominent. But, the great majority confined their labors to the organization of the church, which has continued to grow and grow. The church's beginnings date back to 1787, when a number of people of African descent, enamored with the spirit of independence in the American atmosphere, withdrew from the St. George's Methodist Episcopal Church in Philadelphia, PA, because the white Christians wanted to segregate them in the gallery of the church.

Richard Allen, a local Methodist Episcopal preacher, was their leader. The Reverend Allen was born a slave in Philadelphia and at an early age was sold to a Delaware farmer. Deeply religious, the Reverend Allen became a dedicated worker and conducted services in the home of his master, who was later converted and, as a result, freed the Allen family.

While working at wood-cutting and hauling, he embraced every chance to preach to both blacks and whites. He traveled to Delaware, New Jersey, Pennsylvania, and Maryland to preach the word of God. Then, in 1786, he was asked to preach occasionally at the St. George Methodist Church in Philadelphia. Because of his personal appeal and excellent presentations, more and more blacks began to attend the services. The whites asked them to move to the back, to the gallery.

Richard Allen said no, just like Rose Parks, just like Fannie Lou Hamer, just like Medgar Evers, just like so many of our leaders in the

past. Richard Allen and his followers formed the "Free African Society" which later formed into a national organization in 1816. The Reverend Allen was chosen as its bishop. He never stopped preaching the word and helping people until he died in 1831.

During the next 50 years, the church was confined almost entirely to the Northern States because it was not allowed to operate among the slaves in the South. These churches in the North became extremely active in the antislavery movement and the "Underground Railroad." Before the Civil War was over, hundreds of preachers and teachers had been sent by the AME as missionaries to the South.

And, of course, the story continues. The AME Church has continued to fight for equal treatment for all people. The church was an important piece of the success of the civil rights movement during the sixties. AME churches were open to people to use as an organizational base for their work.

I know that my Mississippi would not be the State it is today without the help of the AME churches, their ministers, and their congregations. I am honored to say thank you today for your help, not only for me, but for all of our people that AME Church has aided in time of need for 200 years.

#### HOUSE JOINT RESOLUTION 180

#### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mrs. MORELLA. Mr. Speaker, I am proud to support House Joint Resolution 180, designating October 6, 1987, as "German-American Day."

There is a great friendship between West Germany and the United States which will be symbolized by the opening of the German-American friendship gardens in Washington, DC on October 6.

There has been 300 years of immigration to this country from Germany. The first recorded organized immigration was on October 6, 1683, when 13 families—33 people—arrived in Philadelphia from Kraefeld, Germany. This was the beginning of the Pennsylvania Dutch, which is the mispronunciation of Deutsch.

The 1980 census reported that there are over 52 million people in the United States who claim German ancestry—that is pure and multiple German ancestry—which is 28.8 percent of the total population.

In my own State of Maryland, the 1980 census recorded that 1,017,481 persons—or 24 percent—claimed multiple German ancestry, and 366,844—or 8.7 percent—claimed single German ancestry. Of these, 16,465 were actually foreign born.

The history of German settlement in Maryland goes back to the 1680's in Pennsylvania. German farmers traveled to the Monocacy Valley through Delaware to the fertile farming valleys in Maryland.

The first German heritage day in Maryland was celebrated at Darley's Park on September 12, 1901, where there were at least 25,000 people in attendance.

In August, Rockville—the county seat of Montgomery County—celebrated its 30th anniversary relationship with its sister city of Pinneberg, near Hamburg in the Federal Republic of Germany. There was an exchange of artists and students and an extension of cultural, commercial and educational ties. There is a Pinneberg room in the Rockville Civic Center Mansion.

The ties between our country, my State, my district and Germany are great, and I am also pleased that Octoberfest is quickly becoming a popular American festival throughout our country.

#### IN OPPOSITION TO H.R. 162

#### HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. PARRIS. Mr. Speaker, I rise in opposition to H.R. 162, the High Risk Occupational Disease Notification and Prevention Act of 1987, for several reasons. Chief among these reasons are the duplicative bureaucracy that would be created under the legislation and the potential costs that would be forced upon employers.

H.R. 162 would create a Risk Assessment Board within the Department of Health and Human Services to determine employee populations at risk of disease and develop a system of notification. The legislation completely ignores existing regulatory mechanisms that address occupational disease and worker health and safety, notably, the Occupational Safety and Health Administration's [OSHA] Hazard Communication Standard, which has recently been expanded pursuant to rules issued by the Department of Labor to cover millions of nonmanufacturing workers, as well as manufacturing workers. Instead, H.R. 162 would create yet another bureaucracy, at the expense of American taxpayers, to basically duplicate work now charged to other bodies. At a time when this Congress is studying all possible means of reducing Federal expenditures, creation of an unnecessary and costly bureaucracy is foolish.

H.R. 162 would require that employers provide and pay for new medical benefits for workers and would mandate employee transfers. Additionally, case history suggests that the bill would result in a proliferation of unwarranted workers' compensation claims for stress, tort suits for emotional harm, and other claims filed by workers against employers. Estimates of the cost to employers of the bill's mandates and the resulting proliferation of law suits run a wide spectrum, but indicate quite clearly that employers, particularly small business employers, would be significantly burdened with new expenses that they simply cannot afford. It would be irresponsible for this Congress to enact legislation, so potentially damaging to our Nation's employers, before we know the true costs of the legislation and its effects upon small business.

I urge my colleagues to vote against passage of H.R. 162 when it comes to the House for a vote and to consider favorably the substitute measure introduced by Congressmen

HENRY and JEFFORDS, which would correct many of the deficiencies of H.R. 162 while addressing the need for risk notification, by protecting workers and preventing disease through expansion of the OSHA Hazard Communication Standard.

#### RESOLUTION EXPRESSING THE SENSE OF THE HOUSE THAT THE SECRETARY OF AGRICULTURE SHOULD MAKE ADVANCE DEFICIENCY PAYMENTS TO FARMERS PARTICIPATING IN 1988 CROP PROGRAMS

#### HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. GLICKMAN. Mr. Speaker, today as the House is considering H.R. 3030, the Agricultural Credit Act of 1987, I want to call the attention of my colleagues to a resolution I have introduced. That resolution expresses the sense of the House that the Secretary of Agriculture should make available to farmers who participate in 1988 crop programs advance deficiency payments. That resolution sends a signal to the Secretary that he should utilize the authority granted to him in the 1985 Food Security Act to ensure an orderly flow of funds to our farmers. If used, as I believe it should be, that authority will help mitigate the credit problems many of our farmers might otherwise face this year and will help alleviate, just as surely, the problems many of our agricultural lenders would otherwise encounter.

There are two aspects to the financial problems our agricultural economy is facing: One aspect concerns the availability of adequate and affordable sources of credit and the bill we are dealing with today, H.R. 3030, goes a long way in meeting that goal. The other aspect is ensuring that producers have the funds to meet those obligations. My resolution deals with that part of the problem.

As a result of the policy of the farm bill to make U.S. commodities more competitively priced and to ensure adequate income for farmers during that period of transition, most of our farmers are participating in government crop programs. They are dependent on a reliable and steady source of funds from those programs for their planning and to meet the obligations they have assumed. During the past few years, the Secretary has made available to those farmers part of their crop payments in advance. To date, however, the Secretary has not made a similar announcement and consequently, the orderly planning process of many farmers has been thrown into disarray.

This resolution will express the resolve of the House that the Secretary use his ability to make these advance payments. It is crucial that the flow of funds farmers have counted on be continued. I want to make absolutely clear to my colleagues that this authority, if used as I believe it should be, will have no adverse affect on the budget. Indeed, while CBO estimates of farm program spending is going down dramatically that assumption includes the making of these payments. Arguably, in fact, the making of advance payments will

lessen eventual Government costs by ensuring that producers can stay on the land rather than forgoing their operations and adding new burdens to Government and private sector borrowers.

An identical measure has been introduced in the Senate and I urge my colleagues to join with me by cosponsoring this measure in letting the Secretary know that he should continue the cash-flow our producers need in an orderly fashion.

### LA GRAN FIESTA

#### HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. FUSTER. Mr. Speaker, I would like to commend to my colleagues' attention a most remarkable motion picture about Puerto Rico that has received rave notices on the island and in New York, and which is about to be shown in Washington.

I know that my colleagues will be interested in seeing this film, and in recommending it to their friends. The name of the movie is "La Gran Fiesta," and it will be shown on September 25 at the Cerberus Theater as well as on October 23 and 24 at 10:45 p.m. as part of the Latin American Film Festival at the American Film Institute of the John F. Kennedy Center for the Performing Arts.

It is not very often that I commend to my friends and colleagues in the Congress a motion picture that is shown in commercial theaters. But I was so impressed with "La Gran Fiesta" when I saw it at its New York premiere recently that I want to share my enthusiasm with you.

The movie has everything, and the crowds that have seen it are a testimonial to the film's originality, professionalism and plot. The film has also been praised by its technical excellence. I commend it to you.

### A CONGRESSIONAL SALUTE TO DIONNE WARWICK

#### HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. FAUNTROY. Mr. Speaker, I am pleased to join with my colleague WILLIAM H. GRAY III, in honoring a multitalented singer, recording artist, concert performer, and great humanitarian, Ms. Dionne Warwick.

In recognition and in appreciation of her 25 years in the entertainment industry and for her extensive efforts on behalf of humanitarian causes worldwide, we pay tribute to her special musical talent and celebrate her commitment to and generosity in improving the quality of life for those who suffer from chronic diseases.

Dionne Warwick's unique and distinctive singing style has earned her Grammy awards, an NAACP Image Award, an Emmy Award nomination and a Peabody Award nomination, among many others. Her list of hit songs include: "That's What Friends Are For," "I

Know I'll Never Love This Way Again," "Deja Vu," "I Say A Little Prayer," and "Do You Know The Way To San Jose?" She teamed up with Stevie Wonder on the music score for the film "The Woman in Red" and was listed as the music coordinator in the film credit.

Throughout her career, Ms. Warwick has actively supported diabetes research, the treatment of blood related diseases, alcohol prevention, famine relief projects, and efforts to combat sickle cell anemia. Last year, she was named chairwoman and spokesperson for the Sudden Infant Death Syndrome Foundation. Her concern for those who suffer from all blood related diseases, was the basis for the formation of her own charity group, Blood Revolves Around Victorious Optimism [BRAVO]. The BRAVO chapter was subsequently designated the official AIDS Research Chapter of the city of Hope.

The recipient of many honorary degrees including an honorary juris doctorate from the University of Los Angeles, School of Law, an honorary doctorate of humane letters from Bethune-Cookman College, Ms. Warwick has taken an active role in encouraging young people to pursue higher education. In 1985, she established the Dionne Warwick Scholarship Foundation, which has awarded over 50 students with educational assistance.

Mr. Speaker, the music industry and the world have benefited greatly from Dionne Warwick, a woman of grace, style, compassion and caring. Her singing continues to touch the young, the old, the rich and the poor, and her giving spirit has brought joy to the world.

### DEPUTY CHIEF MOIR TO RETIRE

#### HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. FLORIO. Mr. Speaker, after 29 years of continuous, uninterrupted service to the community and the police department, Deputy Chief Robert Moir is leaving the Audubon Borough Police Department in New Jersey.

Mr. Moir's 29 years go all the way back to 1959. He served his Nation in the defense of freedom in World War II, and he served his community in upholding law and order, serving the Borough of Audubon with dedication.

Often, local police officers such as Deputy Chief Moir are overlooked, and in many cases for good reason. In their round-the-clock pursuit of justice, they keep our cities and communities safe. When crime is nowhere to be found, our communities rest more easily and the officers are often forgotten.

Deputy Chief Moir is one of the many officers across the Nation who provide an essential service to the citizens of the Nation. For his years of service, it is time to remember the part that he has played in bringing a little order to the Nation.

In recognition of the long service of this one man, Deputy Chief Moir, the police department and the citizens of Audubon will pay tribute to him with a retirement dinner on October 23.

I am pleased to honor Deputy Chief Moir for his services. His 29 years of contributions to the community have made me as much a beneficiary of his good work as the citizens of Audubon.

Deputy Chief Moir served first at the front lines of battle. His commitment to his fellow citizens, though, was not fulfilled in defending peace in time of war.

Instead, Robert Moir donned a different, but equally important, uniform in protecting the streets and homes of Audubon.

In retirement, every officer continues to carry his badge and the proud tradition that first led him to serve the public.

Along with his friends and family, I am extending Deputy Chief Moir my appreciation and congratulations. May his years in retirement be as rewarding as the 29 years of a distinguished law enforcement career that preceded.

### A TRIBUTE TO CHRISTOPHER FOX

#### HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. GEKAS. Mr. Speaker, Tuesday, September 29, 1987, will be remembered as a very special day in the life of one young man from my district, Christopher Fox of Northumberland, PA. Chris Fox, son of Rev. and Mrs. James Fox, has earned Boy Scouts' highest honor—the Eagle Award—which he will receive before family and friends at an induction ceremony at Trinity United Methodist Church, Northumberland.

Chris has had his eye on the Eagle rank ever since he joined scouting as a Cub Scout with Pack 53 in 1978. He quickly advanced through the ranks of Wolf and Bear, Webelos, Arrow of Light, and Tenderfoot.

For his Eagle project, Chris, a member of Boy Scout Troop 342, Susquehanna Council of Boy Scouts of America, organized and distributed 1600 "Vial of Life" kits to his community. The kits contained plastic bottles that the sick or elderly could use to store medical information for medical personnel in case of an emergency. He received wide community support for his project.

Chris has displayed excellent service and leadership capabilities in his work with Scouts. Besides earning merit badges and ranks, he has earned the God and Family, God and Church; and will receive the God and Life Award.

I would ask my colleagues in the U.S. Congress to join me in extending congratulations to Chris Fox for earning this worthy and special award. He has made his Congressman very proud. I wish him great success in his future endeavors.

**THE 65TH ANNIVERSARY OF  
THE GERRITSEN BEACH CIVIC  
ASSOCIATION**

**HON. CHARLES E. SCHUMER**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. SCHUMER. Mr. Speaker, I would like to recognize today, the 65th anniversary of the Gerritsen Beach Civic Association from my district in Brooklyn. In this year of the 200th anniversary of our Constitution it is only right that we celebrate the grassroots community involvement on which our system is based. Gerritsen Beach Civic stands as a magnificent example of just this sort of involvement.

For 65 years this group has been at the forefront of the movement for civic improvement. These are citizens freely giving of their time and effort for the good of community life. The beautiful parklands, roads, and waterways of Gerritsen Beach are testimony to their dedication.

On Saturday, September 26 the group will hold a ceremony marking this anniversary. I take this opportunity to wish Gerritsen Beach Civic Association and their President Ann Dietrich congratulations on 65 years successful and productive years and my best wishes for 65 more.

**TRIBUTE TO IRVING AND GERTRUDE SWERDLOW FAMILIES  
AGAINST CANCER TERROR  
[FACT]**

**HON. GEORGE C. WORTLEY**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. WORTLEY. Mr. Speaker, when a family loses a dear one to cancer, they usually pull together and unite on each other's inner strength. This is certainly understandable given the tragic circumstances.

Irving and Gertrude Swerdlow, however, are an unusual couple. After losing their son Paul, a brilliant physician, to cancer, the Swerdlows reached out to the community and formed an organization, Families Against Cancer Terror [FACT].

FACT is composed of community leaders from the private sector, State and local government, and families who have lost a loved one to cancer or are currently struggling with the disease. FACT is a support group that reaches out to the community to offer guidance to those in need and to educate the public about the facts surrounding cancer.

This all-volunteer organization has held rallies and information seminars to disseminate the facts both locally and around the Nation. The Swerdlows have taken their cause to other cities to assist them in forming support groups like FACT.

Last spring, the Swerdlows traveled here to Washington to testify before the Senate Appropriations Committee, Subcommittee on Human Resources. They urged the committee to appropriate more funds for the research and treatment of cancer. In these times of

filical restraint, the Swerdlows felt that it wouldn't be enough to limit their activities to the State and local levels. They felt that it was imperative that Federal lawmakers understand the importance of continued support for cancer programs.

I extend the highest level of praise and support to the Swerdlows who have taken a most unfortunate situation and made it an invaluable learning experience for us all. As their Congressman in Washington, I know that the Nation is now better informed due to their efforts.

**ELDER COTTAGE HOUSING  
OPPORTUNITY ACT**

**HON. BERNARD J. DWYER**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. DWYER of New Jersey. Mr. Speaker, in recent years there has been increasing concern and interest in alternative approaches for housing for our Nation's elderly. Because of my concerns, I have recently introduced the "Elder Cottage Housing Opportunity Act," legislation which will increase the housing options available to senior citizens and their families.

An ECHO unit is a small, freestanding, barrier-free, energy efficient, removable housing unit that is installed adjacent to existing single-family houses. Usually, the unit is installed on the property of adult children. Interest in ECHO units has been stimulated in this country by their 10-year success in Victoria, Australia, where they are known as "granny flats."

The advantages of ECHO units are many. Because the units are removable, they are not viewed as contributing to the density of existing neighborhoods, unlike the traditional conversion of a basement or a garage into an apartment. They are cost effective; certainly less expensive than the construction of a senior apartment complex. Most importantly, they give older people the feeling of independence while allowing them to be near their families.

The "Elder Cottage Housing Opportunity Act" would make ECHO units eligible for funding under the section 202 program, allowing nonprofit organizations to purchase the units and then lease them to individual homeowners. In addition, those individual consumers wishing to purchase an ECHO unit would be eligible for FHA mortgage insurance.

This legislation would transform an appealing concept into a viable housing choice for seniors and their families and I invite your co-sponsorship.

**ANNUAL REUNION OF DEPARTMENT  
OF PENNSYLVANIA,  
CHINA, BURMA, INDIA VETERANS  
ASSOCIATION**

**HON. JOHN P. MURTHA**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. MURTHA. Mr. Speaker, on October 2, 3, and 4, Greensburg will be the location of the annual Department of Pennsylvania, China, Burma, India Veterans Association meeting.

These veterans of World War II deserve our continued recognition and attention. Our Nation should never forget the commitment these veterans made to the causes of freedom, liberty, justice, and equality which we all enjoy as Americans.

A few years ago, I had an opportunity to stand at the Berlin Wall. It is one of the terrible structures ever erected by man. And as I stood and observed that horrible wall, it occurred to me that America was the only Nation in the world that had to erect barriers to keep out all the people who wanted to come into our Nation, while East Germany had to erect a barrier to keep its people from leaving its world of communism.

It is that spirit of America which lights a beacon of hope to people around the world that we join in celebrating with the World War II veterans gathered in Greensburg for this reunion. It is a spirit that will never die, that has been preserved by these brave veterans, and that will never be forgotten by Congress or the Nation.

It is a pleasure for me to recognize this annual reunion.

**INTRODUCTION OF H.R. 3312, TO  
AMEND THE INTERNAL REVENUE  
CODE OF 1986 TO CLARIFY  
THAT SECTION 457 DOES  
NOT APPLY TO NONELECTIVE  
DEFERRED COMPENSATION**

**HON. ROBERT T. MATSUI**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 21, 1987*

Mr. MATSUI. Mr. Speaker, I am today joining Mr. VANDER JAGT and many of my colleagues on the Committee on Ways and Means in introducing bipartisan legislation which would reverse an erroneous interpretation by the Internal Revenue Service concerning the application of section 457 of the Internal Revenue Code to nonelective deferred compensation. This provision was originally enacted in 1978 to apply to State and local government employees and was extended by the Tax Reform Act of 1986 to private tax-exempt employees.

Let me briefly explain the importance of this legislation. Under the erroneous IRS interpretation of section 457, employees of State and local governments and private tax-exempt organizations would be taxed currently on income which:

They have not received;  
They never had the right to elect to receive;  
and

They may never receive if they die or the employer becomes insolvent or otherwise unable to pay such amounts prior to the time actual payment is to occur.

Under this interpretation, individuals would be taxable currently on amounts they have not yet been paid under vacation pay plans, sick pay plans, severance pay plans, supplemental retirement plans, and reduction in force plans.

I do not believe the Congress intended to accomplish such an obviously unfair result. A review of the legislative history related to this legislation indicates that this was not the intent of the Congress. Failure to adopt this clarification will result in chaos for the State and local government community and the private tax-exempt community. The erroneous IRS interpretation possibly dictates that State and local government employers amend previously issued W-2 forms for affected employees and that such employees amend previously filed tax returns.

The section 457 task force that supports this important legislation is a broad-based group of State and local government employers and private tax-exempt employers representing millions of State and local government and private tax-exempt employees. I believe the broad-based group of organizations supporting this legislation underscores the need for this clarification. This legislation should have no revenue impact because it simply affirms Congress' original intent.

In introducing this legislation, I believe it is important to emphasize that this is the first step in the legislative process. As the legislation is considered, it will be important to consider all ramifications raised by the legislation to ensure that any realistic abuse potential is avoided. This will require striking a balance between what I view as two important policy objectives. The first policy objective is to avoid taxation of individuals on income they have not yet received and never, in fact, had the right to elect to receive. The second objective is to ensure that no realistic abuse of the private pension objectives occurs.

I urge all my colleagues to join me as a cosponsor to assist in eliminating the uncertainty which has been created by the IRS interpretation of section 457 for millions of State and local employees and private tax-exempt employees.

#### HATS OFF TO WHMM TV 32

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 21, 1987

Mr. RANGEL. Mr. Speaker, recently, President Reagan presented the 1987 Presidential Award for Private Sector Initiatives to Howard University's WHMM TV 32 for its excellent community service broadcasts. An honor which is long overdue.

WHMM TV was recognized for its highly successful "Stay In School" project, which was designed to devise ways to minimize school truancy, increase regular school attendance, and to eradicate illiteracy.

The station was among four broadcast stations selected nationally to receive the award, and was also the only public broadcast station and one of two stations in the Washington, DC, metropolitan area honored. Arnold Wallace, WHMM's general manager was presented the award in a ceremony held at the White House Rose Garden last month by Mr. Reagan.

Hats off to WHMM and its remarkable staff for a job well done, and for its unique interest in providing its viewing audience with clean and pure programming.

#### SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, September 22, 1987, may be found in the Daily Digest of today's RECORD.

#### MEETINGS SCHEDULED

##### SEPTEMBER 23

9:00 a.m.

#### Rules and Administration

Business meeting, to consider S. 1490 and H.R. 2249, bills to designate certain employees of the Library of Congress as police and to require the rank structure and pay for such employees to be the same as that for the Capitol Police, H.R. 60, to authorize the Architect of the Capitol to accept gifts and bequests of personal property and money for the benefit of the Capitol Buildings Art Collection, and House Joint Resolution 309, to establish the Speaker's Civic Achievement Awards Program to be administered under the Librarian of Congress, and other pending legislative and administrative business.

SR-301

9:30 a.m.

#### Agriculture, Nutrition, and Forestry

Agricultural Credit Subcommittee  
Business meeting, to resume markup of S. 1665, Farm Credit Act of 1987.

SR-332

#### Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

#### Environment and Public Works

Business meeting, to mark up proposed legislation to provide limited extensions in the Clean Air Act deadlines for areas that violate the health-protective national air quality standards.

SD-406

#### Governmental Affairs

Federal Services, Post Office, and Civil Service Subcommittee

To hold hearings on the impact of proposed catastrophic health legislation on the Federal Employee Health Benefit program and the Federal annuitant.

SD-342

#### Joint Economic

#### Education and Health Subcommittee

To hold hearings on the competitiveness and quality of the American work force.

311 Cannon Building

10:00 a.m.

#### Foreign Relations

Western Hemisphere and Peace Corps Affairs Subcommittee

Closed briefing on the situation in Panama.

S-116, Capitol

#### Judiciary

To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

11:00 a.m.

#### Foreign Relations

Business meeting, to consider pending calendar business.

S-116, Capitol

2:00 p.m.

#### Agriculture, Nutrition, and Forestry

#### Agricultural Credit Subcommittee

Business meeting, to mark up S. 1665, Farm Credit Act of 1987.

SR-332

#### Energy and Natural Resources

#### Research and Development Subcommittee

To hold hearings on S. 1294, to promote the development of technologies which will enable fuel cells to use alternative fuel sources, S. 1295, to develop a national policy for the utilization of fuel cell technology, and S. 1296, to establish a hydrogen research and development program.

SD-366

#### Select on Indian Affairs

Business meeting, to mark up S. 1475, to establish a clinical staffing recruitment and retention program within the Indian Health Service, and H.R. 2937, to make miscellaneous technical and minor amendments to laws relating to Indians.

SR-485

##### SEPTEMBER 24

9:00 a.m.

#### Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

10:00 a.m.

#### Foreign Relations

To hold hearings on the South Pacific Regional Fisheries Treaty (Treaty Doc. 100-5), and the International

Wheat Agreement, 1986 (Treaty Doc. 100-1).

SD-419

## SEPTEMBER 25

9:30 a.m.

Governmental Affairs  
Federal Spending, Budget, and Accounting Subcommittee

To resume hearings to examine the results of a General Accounting Office survey regarding the accounting procedures and processing of seized cash and properties by Federal agencies.

SD-342

10:00 a.m.

Finance

To hold hearings on the nomination of John K. Meagher, of Virginia, to be Deputy Under Secretary of the Treasury for Legislative Affairs.

SD-215

Judiciary

To resume hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

## SEPTEMBER 28

9:30 a.m.

Governmental Affairs

To hold oversight hearings to review inventory control and surpluses by Federal agencies.

SD-342

10:00 a.m.

Judiciary

To resume hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

## SEPTEMBER 29

9:00 a.m.

Select on Indian Affairs

To hold hearings on S. 1645, authorizing funds for certain Indian educational programs.

SR-485

9:30 a.m.

Commerce, Science, and Transportation  
To hold hearings in conjunction with the National Ocean Policy Study to review coastal zone management consistency provisions.

SR-253

Governmental Affairs

Oversight of Government Management Subcommittee

To resume oversight hearings on Federal procurement decisions concerning Wedtech Corporation.

SD-342

10:00 a.m.

Judiciary

To continue hearings on the nomination of Robert H. Bork, of the District of Columbia, to be an Associate Justice of the Supreme Court of the United States.

SR-325

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

2:30 p.m.

Energy and Natural Resources  
Public Lands, National Parks and Forests Subcommittee

To hold hearings on H.R. 2121, to authorize and direct the National Park Service to assist the State of Georgia in relocating a highway affecting the Chickamauga and Chattanooga National Military Park in Georgia, H.R. 1983, to authorize the Secretary of the Interior to preserve certain wetlands and historic and prehistoric sites in the St. Johns River Valley, Florida, and S. 858, to establish the title of States in certain abandoned shipwrecks.

SD-366

## SEPTEMBER 30

9:30 a.m.

Commerce, Science, and Transportation  
Aviation Subcommittee

To hold oversight hearings on the safety of military charter flights.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Governmental Affairs

Oversight of Government Management Subcommittee

To continue oversight hearings on Federal procurement decisions

SD-342

2:00 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

## OCTOBER 1

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

2:00 p.m.

Energy and Natural Resources

To hold closed hearings on the status of the Department of Energy's efforts to address issues concerning the defense materials production reactors located in the United States.

S-407, Capitol

## OCTOBER 2

9:30 a.m.

Energy and Natural Resources

To hold oversight hearings on the implementation of the Reclamation Reform Act of 1982.

SD-366

## OCTOBER 6

9:30 a.m.

Commerce, Science, and Transportation  
Surface Transportation Subcommittee

To hold hearings on pipeline safety.

SR-253

10:00 a.m.

Environment and Public Works  
Water Resources, Transportation, and Infrastructure Subcommittee

To resume hearings to review infrastructure issues.

SD-406

9:30 a.m.

Commerce, Science, and Transportation  
Aviation Subcommittee

To resume hearings on S. 1600, to create an independent Federal Aviation Administration.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

## OCTOBER 8

9:30 a.m.

Commerce, Science, and Transportation  
Foreign Commerce and Tourism Subcommittee

To hold hearings on tourism marketing.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Governmental Affairs

Permanent Subcommittee on Investigations

To hold hearings on government handling of Soviet and communist bloc defectors.

SD-342

## OCTOBER 9

9:30 a.m.

Governmental Affairs  
Permanent Subcommittee on Investigations

To continue hearings on government handling of Soviet and communist bloc defectors.

SD-342

## OCTOBER 15

10:00 a.m.

Small Business

To hold oversight hearings on the Small Business Administration small business development center program.

SR-428A

## OCTOBER 20

9:30 a.m.

Commerce, Science, and Transportation  
Surface Transportation Subcommittee

To hold hearings on S. 816, S. 1026, and S. 1040, bills relating to the construction, acquisition, or operation of rail carriers and to review the Interstate Commerce Commission consideration of railroad line sales.

SR-253

## OCTOBER 21

9:30 a.m.

Commerce, Science, and Transportation  
Foreign Commerce and Tourism Subcommittee

To hold oversight hearings on activities of the Foreign Commercial Service, Department of Commerce.

SR-253

10:00 a.m.

Environment and Public Works  
Water Resources, Transportation, and Infrastructure Subcommittee

To resume hearings to review infrastructure issues.

SD-406

