

needs of the diverse and vulnerable populations they serve.

The bill consolidates into a single legislative authority, authorities for community health centers, migrant health centers, health services for the homeless, and health services for residents of public housing. It streamlines the statutory definition of basic and required health services for these centers; replaces detailed application requirements by a general requirement that applicants identify their service populations, describe the scope of services, and show how service needs will be met; and reduces the number of grant applications and awards while maintaining the level of services provided by these centers and establishing an incentive award grant program for grantees with high or greatly improved performance.

This is a good bill, and I commend it to my colleagues.

DEPARTMENTS OF LABOR,
HEALTH AND HUMAN SERVICES,
AND EDUCATION, AND RELATED
AGENCIES APPROPRIATIONS
ACT, 1996

SPEECH OF

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 2, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2127) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1996, and for other purposes:

Mr. WAXMAN. Mr. Chairman, I rise in support of the Skaggs amendment.

This amendment would eliminate the overly broad, confusing, and unconstitutional provisions in the bill about limiting advocacy with private money.

Don't make a mistake. This is not a debate about Federal funds. This is a debate about private groups and private speech.

Federal grants already contain prohibitions on using Federal money for advocacy. This bill goes far beyond that and limits what private groups do with private money.

The provisions are so broad that they would limit advocacy not just by groups that relieve money, but by groups that, within the next 5 years, hope to receive money.

So if you hope to get money for a soup kitchen, you better not talk about feeding the hungry for 5 years.

And if you hope to get money for literacy, you better not talk about whether people should be able to read.

And the provisions are so broad that they would limit a grantee from even buying things or employing a contractor who does political advocacy.

So if you hope to buy soup from the Sisters of Charity, you better check to see if they advocate for the poor.

If you want to contract with a visiting nurses association for a community health center, you have to see their political records for the last 5 years.

And even groups that don't come anywhere close to the prohibitions of this bill will have to keep records and disclose records to prove it.

If a church thinks that someday it might run a homeless shelter, it better start keeping records showing that the priest hasn't testified before a school board too much.

If a synagogue is running a drug treatment program, it will have to show records of how much private money went for the rabbi's salary and whether the rabbi carried a banner in a peace march.

This is ridiculous.

You know and I know that for some in this body, this amendment is about pro-choice agencies getting Federal funds for family planning services and advocating with private funds for abortion rights.

I support the right of these agencies to do anything they wish with their private funds.

But this bill has gone so far that not only are the pro-choice groups opposed to this amendment but so is the Bishop's Conference on Pro-Life Activities. Cardinal Mahony himself has written to the Congress to ask that these provisions be deleted, saying that they will intrude into private activity that is unrelated to public funding.

As Catholic Charities said to the Appropriations Committee: "Churches and charities have a moral responsibility to stand up for the poor and vulnerable, and this plan appears designed to 'muzzle' the voices of these groups."

Many other groups feel this same moral responsibility.

I urge Members to vote for the amendment.

DEPARTMENTS OF LABOR,
HEALTH AND HUMAN SERVICES,
AND EDUCATION, AND RELATED
AGENCIES APPROPRIATIONS
ACT, 1996

SPEECH OF

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 2, 1995

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2127) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1996, and for other purposes:

Mr. STOKES. Mr. Chairman, I rise in opposition to the political advocacy gag provisions contained in H.R. 2127, and to those that my colleagues may attempt to attach to the bill. In its current form, the bill contains provisions which seriously restrict and threaten the political advocacy rights of the American people. Such provisions are a blatant attack on the most vulnerable in our society, and are designed to silence the voice of those who are committed to speaking out on their behalf.

These provisions would restrict the fundamental rights of the American people by placing limitations on Federal grantees regarding the use of their own hard-earned money when engaging in activities that are protected by the first amendment. Activities include participation in public debate on issues of public concern, communication with elected representatives, and litigation against the Government.

Mr. Speaker, perhaps the Republicans believe an extensive political advocacy gag law

is just what it takes to force the American people to stomach the pill of bitter pain, hurt, and suffering that will result from the devastating cuts in Healthy Start, Meals for the Elderly, energy assistance, financial aid, Education for the Disadvantaged, employment training, Head Start, Safe and Drug Free Schools, the list goes on and on.

If I were party to inflicting such hardship and pain, I too, would be in search of a hiding place or a cover up. And, I, too, would fear being held accountable by the American people. It will take more than a legislative silencer to quiet the cry of children, the elderly, and families that would result from the devastating cuts contained in H.R. 2127.

Mr. Speaker, I am absolutely opposed to any measure that authorizes such unconscionable attacks on the American people's rights. I strongly urge my colleagues to vote "no" to all measures and provisions that attempt to gag the American people. Vote "no" to H.R. 2127.

RECOGNITION OF THE PEE DEE
CONFERENCE OF THE AFRICAN
METHODIST EPISCOPAL ZION
CHURCH

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1995

Mr. SPRATT. Mr. Speaker, it is my privilege today to recognize an important event in my congressional district. On October 1, 1995, the Pee Dee Conference of the African Methodist Episcopal Zion Church in South Carolina will commemorate and celebrate the Bicentennial of the African Methodist Episcopal Zion Church.

Nearly 200 years ago, a group of individuals decided to leave the John Street Methodist Church in New York because of discrimination and denial of religious liberties. These individuals organized what was to become the African Methodist Episcopal Zion Church. Zion was added to the name in 1848 to distinguish this denomination from other African Methodist bodies. The Right Reverend George E. Battle, Jr., Bishop of the Pee Dee conference, has declared a week of celebration of this anniversary for the week of October 1-8, 1995.

I would like to recognize and congratulate the many African Methodist Episcopal Zion Churches of the Pee Dee conference as they celebrate their 200 years and to commend these congregations for the vital work they provide families within their communities. I would also like to extend to them my best wishes for their next century of faithful service.

CUBA'S WORSENING ECONOMY
AND CASTRO'S BRUTAL OPPRES-
SION

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1995

Mr. DIAZ-BALART. Mr. Speaker, please submit for the RECORD the following article brought to my attention by Frank Calzon of Freedom House.

Last year, many apologists for the Castro dictatorship argued the Cuba's economy was rebounding and that the dictator had survived his latest economic crisis. The following analysis by University of Pittsburgh economist and Cuba specialist Carmelo Mesa-Lago clearly illustrates the fallacy of these optimistic predictions.

The truth is that with each passing day, Cuba's economy worsens and Castro's brutal oppression of the Cuban people increases.

CUBA'S ECONOMIC RECOVERY, HOW GOOD ARE THOSE 1995 PREDICTIONS?

(By Carmelo Mesa-Lago)

Judging from Fidel Castro's pronouncements and recent CNN coverage, Havana's recovery is already on its way. "Trust but verify" is the old Russian proverb; and to assess the situation Freedom House sent its Latin American specialist, Douglas Payne to Cuba in late April. His appraisal appears here, together with an article by the dean of Cuban economic analysts, Professor Carmelo Mesa-Lago.

Dr. Mesa-Lago advises caution. "Statistical series were halted in 1989," he says. Adding: "... an economy that has declined by one-half in five years could eventually bottom out and show signs of improvement, but unless a vigorous growth rate occurs it will take decades to recover to the previous economic level." According to him, "even a modest growth rate of two percent (one percent per capita) will be difficult to achieve in 1995." His article follows.

Most Cuban and foreign economists agree that the island's national product declined by one half in 1990-1993, but there is no consensus on whether the economic deterioration was halted in 1994 and a recovery will occur in 1995. Carlos Lage, vice president of the State Council, declared to Granma January 25 that the economy had bottomed out in mid-1994. Three days later (at an international economic forum held in Switzerland) he reported to a group of potential foreign investors that the growth rate in 1994 was 0.7 percent. Furthermore, Alfonso Casanova, director of the Center of Economic Research at the University of Havana, predicted last February a two percent rate of growth for 1995.

Optimistic, but ultimately erroneous forecasts of Cuba's economic recovery have been common in recent years. For instance, early in 1993, Andrew Zimbalist (Smith College) and Pedro Monreal (CEA-Havana) predicted a growth rate of 0.4 percent that year; later in 1993 Zimbalist changes his estimate to a decline of 10 to 15 percent, while Monreal postponed the elusive recovery to 1994 or thereafter. Jose Luis Rodriguez, Cuba's minister of finance, and Raul Talarid, the vice-minister of foreign investment, assured at the end of 1994 and the beginning of 1995 that the economy had bottomed out in 1993 and that some "signs" of recovery were present in 1994. Even more cautious were Osvaldo Martinez, the minister of Economics and Planning, and Julio Carranza, the deputy director of CEA, who, respectively, foresaw either stagnation or slowdown in the rate of decline in 1994 and "modest possibilities" of recovery in 1995.

The growth forecasts have been based on the following arguments: the end of the recession in 18 out of 21 industries; cuts in the monetary hangover, state subsidies and the fiscal deficit; higher prices for sugar and nickel in the world market; greater foreign investment, and a growing number of tourists and hard-currency revenue in that industry.

And yet some of the forecasters have candidly pinpointed persisting problems and obstacles to the recovery, such as:

1) inability to increase sugar and agricultural output.

2) a significant labor surplus maintained through huge state subsidies to two-thirds of non-profitable enterprises.

3) insufficient export revenue which precluded buying imports needs to expand both domestic production and exports.

4) not enough foreign investment in spite of the acceleration reported in 1993-94.

Members of the Cuban Association of Independent Economists, located in Havana, have argued that continuous stagnation or decline is due to the slow and piece-meal implementation of timid market-oriented reforms; according to them, the reduction in the monetary hangover has not generated an increase in output.

Three notes of caution are important in the assessment of the previous forecasts of growth.

First, today it is extremely difficult to measure Cuba's national product, because the state sector is shrinking while the informal-private sector is expanding and the value of goods and service generated by the latter is unknown. (For instance, only 170,000 self-employed workers have registered, thus the value of their output can be measured, but possible 500,000 or more are working without registration and the government does not have any idea of the value of their output.)

Second, statistical series were halted in 1989 and subsequent data collection has been harmed by the virtual demise of central planning. If official growth rates were difficult to check before the crisis, the situation is worse now.

Third, an economy that has declined by one-half in five years could eventually bottom out and show signs of improvement, but unless a vigorous growth rate occurs it will take decades to recover the previous economic level.

In my opinion, even a modest growth rate of two percent (one percent per capita) will be difficult to achieve in 1995 for several reasons. The 1995 sugar harvest is officially expected at best to reach 3.5 million tons. A compensatory factor could be the increasing world market price of sugar in 1994 and early 1995, largely boosted by the sharp decline in Cuban exports since 1993; but such prices are leveling off as other sugar producing nations have increased their exports.

A more difficult problem is the 500,000 tons of the 1995 sugar harvest that Cuba has mortgaged to finance last year's imports of Russian oil. In addition, Cuba was 500,000 tons of sugar short in committed exports to China in 1994, vital for the import of rice, bicycles and other Chinese products. This will cut availability of sugar for new exports. The actual availability of sugar for export in 1995 should be from 2 to 2.5 million tons.

Minister of Agriculture Alfredo Jordan has acknowledged that the new cooperatives (UBPC) that replaced most state farms in 1993-94 are not efficient and have failed to increase both sugar and non-sugar agricultural output. He has reported a decline of 36 percent in the production of grains, fruits, vegetables and tubers in 1992-94. Tobacco leaf production decreased 57 percent in 1989-93 and torrential rains harmed the 1995 crop in Pinar del Rio province. Jordan announced an increase of cattle heads to 4.5 million in 1994, but this actually was an eight percent decline in relation to the 4.9 million head officially reported in 1989.

Nickel output reached a peak of 46,000 tons in 1989 and declined to 33,349 in 1991 due to the obsolete technology of the Soviet-made plant in Punta Gorda, problems in the old U.S.-made plants, and lack of world demand. In spite of Canadian investment, nickel output in 1994 declined, although Cuba is hoping for improvement this year. (See *Cubanews*, April 1995)

In 1994, the number of tourists reached a record of 630,000 and generated \$850 million in revenue, but actual profit was only \$255 million because of the high costs of imports required to cater to tourists. Even as the number of tourists increase in 1995 at the previous pace, the target of 1.5 million tourists will not be met and profits will not exceed \$300 million.

Cumulative foreign investment reached \$1.5 billion in 1990-94, an annual average of \$300 million, equal to 5-6 percent of the \$5-6 billion in annual Soviet aid received by Cuba in the 1980s.

These negative factors will affect foreign investment:

1) the Mexican crisis, which has led to the cancellation or suspension of some Mexican investment projects.

2) the withdrawal of Total, the pioneer French corporation, after two years of unsuccessful oil exploration.

3) the ranking of Cuba as the worst among 167 countries in terms of risk for foreign investment by Euromoney in 1994.

4) the potential enactment of a Republican-endorsed bill to penalize foreign investors in U.S. property confiscated by Cuba in 1959-60.

The value of Cuban exports declined from \$6 billion in 1985 to \$1.8 billion in 1994. Carranza and Monreal forecasted in 1993 exports for \$4-5 billion for 1995, while the government prediction was even higher. But Casanova's estimate for 1995 exports is \$1.5 billion and Talarid acknowledged that "only \$4 billion" more were needed to finance the necessary imports. The 1995 combined hard-currency revenue from exports, tourism and investment can be estimated at \$2.5 billion, 78 percent less than the corresponding figure for 1989.

All the evidence summarized above suggests that the Cuban economy will either stagnate or continue its deterioration in 1995, although at a lower rate of decline. Cuban figures showing a growth rate for 1995 will have to be backed by hard data in order to be credible.

TRIBUTE TO W. LINDSAY LLOYD

HON. RANDY "DUKE" CUNNINGHAM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 4, 1995

Mr. CUNNINGHAM. Mr. Speaker, I rise today to pay tribute to Mr. W. Lindsay Lloyd, my legislative director, who departs my staff today for a position overseas with the International Republican Institute.

Mr. Lloyd, a native of La Jolla, CA, previously worked for Representative DUNCAN HUNTER, the House Republican Research Committee, and the Jack Kemp for President campaign, before joining my staff as legislative director upon my January 1991 swearing-in. In his relations with Members, staff, constituents, and parties interested in his chief legislative area of defense, Mr. Lloyd built and cultivated a reputation for steadfast and reliable work, vigorous and dispassionate analysis, reliability, responsiveness, and integrity. At all times, he served the American people and this Member with honor.

My staff and I will miss him and his diligence on behalf of the people of San Diego County. Within the next month, he will travel to Bratislava, Slovakia, to train the citizens of that new Central European nation in the techniques and process of representative democracy. I am confident in his success.