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A SAILOR, A SAVIOR—WRENSHALL MAN, CREW SAVE 38

(By Jason Skog)

When Scott Gardner heard there were babies on board the rapidly sinking water taxi, he jumped from the pier into the swift Bahamian channel's current and began saving lives.

After throwing dozens of life jackets into the water and swimming some frightened tourists to safety, Gardner and his fellow U.S. Navy crew members saved 38 people.

Gardner, a 24-year-old Wrenshall native serving aboard the USS Yellowstone, was docked in Nassau, Bahamas, on Feb. 22 when the alarms sounded. He humbly retold his story of heroism and bravery from a pay phone in Norfolk, VA., where his ship was docked this week.

Gardner's latest rescue came almost a year after he got wet saving a drunken German sailor from drowning off the coast of Corfu, Greece.

It was around dinner time and Gardner was washing up when the Yellowstone's alarm sounded, signaling somebody was in danger.

He grabbed his gear and ran up top to the deck, where he saw a boat in the channel sinking quickly. Panicked and without life jackets, people on the sinking boat began jumping into the water.

"We were throwing life jackets off the pier, but we couldn't throw them all the way and they were washing against the pier," Gardner said.

Gardner said he wasn't sacred.

"I saw them and something just clicks and you say, 'Hey, idiot. Go in and help.'"

When the rescue ended, the Navy crew learned there were nearly 50 people aboard the flooded boat. Gardner's crew alone had saved 38 of them, including two babies. The others were saved by passing boats.

The Navy's Yellowstone is a repair ship that fixes other boats. Gardner, who joined the navy in 1992 after graduating from technical college, works as a machinist and fireman on the ship.

The captain of the Yellowstone had planned to stop in the Bahamas for a little fun, sun and snorkeling. The crew had just finished training drills in Cuba and the captain felt his crew needed a break before sailing to the Mediterranean Sea.

And if the alarm sounds again?

"If they made the call at 2 a.m., we'd be running down the pier," Gardner said. "Because if we were in the water, we'd want somebody running to save us."

#### PROMINENT CIS SCIENTISTS PROTEST CHECHNYA

**HON. CHRISTOPHER H. SMITH**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 22, 1995*

Mr. SMITH of New Jersey. Mr. Speaker, as I noted yesterday, Russia has now passed the hundredth day of its armed intervention in Chechnya. The brutality continues. Moscow gives soothing words about a cease-fire, but the shelling and the bombing continue unabated.

With this in mind, I would call attention to an open letter that I recently received, courtesy of the American Foreign Policy Council. This letter was written by three of the most prominent

scientists currently living in the former Soviet Union. In this letter, A. Belavin, a physicist, and two mathematicians, V. Drinfeld and B. Feigin, characterize Moscow's actions as "genocide and crimes against humanity" and say, as I have maintained all along, that "these actions cannot be considered merely an internal affair of Russia." I urge President Clinton and others in his administration to keep in mind the powerful message in this letter, and hope that it would be included in the President's briefing book for his upcoming trip to Moscow.

Mr. Speaker, I ask that the full text of this letter be inserted in the RECORD at this time.

DEAR FRIEND: We are compelled to write to you from the feeling that terrible crimes committed by Russian authorities and armed forces in Chechnya are not accidental, and that we are all responsible for them. These crimes, according to the testimony of journalists, human rights defenders, and mothers of the soldiers fighting there, include not only the bombing of towns and villages inhabited by civilians, but also the capturing of hostages, robberies, [and] the organization of filtration camps where people, incarcerated on the basis of their race, and cruelly beaten, tortured, maimed and murdered.

All these actions should be characterized as GENOCIDE and crimes against humanity. They cannot be considered merely an internal affair of Russia.

The Chechen crisis is not accidental. It reveals the criminal essence of the political regime that is being formed in Russia. The most dangerous aspect of the present situation is the absence of a clear appreciation of this fact.

Instead, in the public opinion, especially in the West, there still exists the myth that Russia is moving toward democracy and reforms and, unless Yeltsin is supported, fascists of the type of Zhirinovskiy will take over.

We consider this opinion as deeply erroneous. Supporting democracy and human rights by words, the regime is persecuting them in a cynical and brutal way [sic]. Many facts give evidence for this, such as beatings and killings of honest journalists and human rights defenders who get and publish information dangerous for the regime, the criminal and corrupted methods of privatization, and many other things. Now there is an attempt of annihilation of a whole nation.

Acting by fascist methods, the regime uses Zhirinovskiy and the threat of fascism for manipulating public opinion.

Russia is not moving by the path of democracy and human rights. A new regime, unusual in its cruelty and falsehood, is being born. Whether the criminal regime or democracy with a human face will take over in Russia, will, in the first place, depend on people in Russia, our ability to understand the danger and take responsibility, [and] our courage and will to stand against evil.

However, the realization by people in the West of the true state of affairs of Russia and the support of democracy, not Yeltsin, are also crucial.

We ask your help in spreading our letter.

A. BELAVIN,  
V. DRINFELD,  
B. FEIGIN.

THE ECONOMIC BENEFITS OF  
FULL COMPETITION IN ALL  
TELECOMMUNICATIONS MAR-  
KETS

**HON. DAVID E. BONIOR**

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 22, 1995*

Mr. BONIOR. Mr. Speaker, in July 1993, I submitted for our colleagues highlights of the first WEFA [Wharton Econometric Forecasting Associates] Group study on the economic benefits of full competition in all telecommunications markets. In that study, the WEFA Group predicted that more than 3 million new jobs would be created over the next 10 years if all lines-of-business restrictions were lifted on the regional Bell companies.

The biggest obstacle to fulfilling the promise of telecommunications to the American people is the maintenance of policies at the Federal and State levels of government that restrict competition in communications markets. Regulation has failed to keep pace with the changes that have occurred in the telecommunications industry and the laws governing the industry are seriously outdated and need to be reformed. As Congress takes on the task of reforming and updating the Nation's telecommunications laws, policymakers should be mindful of the results of the most recent study by the WEFA Group that evaluated the economic impact of removing all regulatory barriers to entry in communications and permitting full competition in all communications markets.

Under one scenario, WEFA estimated the effects of immediate and simultaneous removal of all restrictions on competition in telecommunications, long distance, information services, and equipment manufacturing markets as well as the replacement of rate-of-return regulation with price regulation in all Federal and State jurisdictions. The predicted response by the economy, as determined by the WEFA Group—perhaps the Nation's pre-eminent economic forecasting group—gives overwhelming evidence and support that such change in policy is needed in the national interest. Under this scenario the economy would stand to gain an additional 3.4 million jobs over the next decade compared to the baseline forecast. In my home State of Michigan, immediate regulatory relief for all telecommunications companies would create more than 35,000 new jobs throughout the entire State's economy by 1998 and nearly 71,500 jobs by the turn of the century. Because telecommunications is so important to the functioning of the economy, the additional jobs created by the change of policy would be spread across all States and all major industry groups. Job gains would be realized as lower prices, service enhancements, and technology innovations all serve to boost economic activity. The surge in job growth would, in effect, discount the unemployment rate at the end of the 10-year period by 0.4 percent of a percentage point compared to the baseline forecast. At the conclusion of my remarks, I will include a statement by Morton Bahr, president of the Communications Workers of America, commending the WEFA Group study and stating that "we applaud any legislation that will bring jobs to communications workers and

benefits to American consumers as quickly as possible."

Other significant improvements to economic growth obtain to the economy in this scenario in addition to the employment gains. Real Gross Domestic Product [GDP] is \$298 billion higher growing 0.5 percent faster on average over the 10-year period and the change in policy assumed in the scenario generates more than \$900 billion more real disposable income. The balance of trade improves \$14 billion due to lower domestic inflation and strengthened U.S. global competitiveness. The Federal budget deficit improves by more than \$140 billion over the next decades as higher incomes boost tax revenues. Other indicators of economywide growth show dramatic increases in automobile sales and housing starts and curbing or downward pressure on consumer price inflation and long-term interest rates.

Consumers benefit tremendously under the WEFA Group study scenario of full, immediate, and simultaneous competition in all communications markets. With this change in policy, over the 10-year period, consumers reap nearly \$550 billion in savings from the increased competition and the lower prices it generates compared to the baseline scenario and the continuation of the status quo in telecommunications policy. The \$550 billion in consumer savings is spread across all communications markets. More competition in the long-distance market produces \$333 billion in consumer savings from lower rates. More competition in the cellular market yields \$107 billion in consumer savings from lower rates. More competition in the local exchange market for telephone service picks up another \$32 billion in consumer savings from lower rates.

WEFA Group compared the full, immediate, and simultaneous competition scenario with two other scenarios that would have delayed the introduction of full competition in all communications markets for 3- and 5-year periods, respectively. The cost of delay and staggered competition to the economy and to consumers, as estimated by the WEFA Group, are quite significant. Furthermore, this realization underscores the importance of Congress acting now to change and reform the Nation's telecommunications laws but in so doing avoid the delay of full competition. For example, the 3- and 5-year delay scenarios create 1.5 million and 1.9 million fewer jobs, respectively, than are created in the full, immediate, and simultaneous competition scenario over the same time period. WEFA also found that every year of delay in the introduction of full competition in communications markets costs consumers \$55 billion in lost savings in telecommunications services and \$40 billion in lost savings on long-distance rates.

The WEFA Group study findings are in keeping with earlier studies undertaken in this area, for example the study during the last Congress by the President's Council of Economic Advisors, which confirm large gains to consumer welfare and economic growth from the unleashing of restrained competition in telecommunications markets. Those of us in the Congress who are about to take up telecommunications reform legislation should be guided and instructed by the essential findings of the recent WEFA Group study, that is, the Nation's economy and consumers would fare best with a change in policy that produced competition now in all communications markets. Continuation of the current telecommunications policy or a change of policy that pro-

duced more regulatory barriers, delay, and uncertainty would not be in the best interest of consumer welfare and economic growth. There are some interests who are pushing Congress to, in fact, stagger, delay, or sequence competition in various telecommunications markets. However, if you listen very carefully to the proponents of this argument, you will note that the markets they serve today would be the last to face the new competition, if ever, under their proposal. We need to enact legislation that gives all players a fair and equal opportunity to compete in any market they choose to enter and, therefore, need to eliminate these lines-of-business restrictions on the Bell companies as soon as possible.

Finally, Mr. Speaker, I include remarks from several Wall Street analysts who dispute the notion that there is real price competition in the long-distance telephone marketplace—a key finding of the WEFA study.

STATEMENT OF MORTON BAHR, PRESIDENT, COMMUNICATIONS WORKERS OF AMERICA, ON THE WEFA GROUP STUDY ON COMMUNICATIONS COMPETITION

WASHINGTON, DC.—The recently released study on communications competition by the WEFA Group confirms what we in CWA have known for years—that delaying full competition in the communications marketplace is costing America hundreds of thousands of jobs every year.

Congress tried to pass legislation last year that would have deregulated markets and created jobs. The opportunity is at hand again and it's time we get it right, because every year we delay is another year of lost jobs and lost consumer benefits.

CWA recognizes that competition will ultimately mean a boom in new services and new industries, and an explosion in jobs in every state and every industry in the country. That's why we support the deregulation of America's telecommunications markets as soon as possible.

America shouldn't have to wait for Information Age benefits when communications workers are ready to build the infrastructure now. We applaud any legislation that will bring jobs to communications workers and benefits to American consumers as quickly as possible. Full competition will do that, delayed completion won't.

#### THE VIEW FROM WALL STREET: COMPETITION IN THE LONG DISTANCE TELEPHONE MARKET

AT&T and its rivals are pushing some prices up after almost 10 years of steady discounting. This gives AT&T more room to grow profits, and it creates an umbrella over MCI and Sprint, allowing them to raise prices, too.—Kenneth Leon, Bear Stearns, 10/20/92.

AT&T, MCI, and Sprint all have high-quality earnings because they operate in a stable, oligopolistic industry \* \* \* without serious price competition. [T]he only real threat [is] posed by the Regional phone companies which are unlikely to gain regulatory freedom to enter this business for at least 3-5 years.—Philip A. Managieri, Cowen, 8/23/93.

Margins improved for all four [long distance] carriers, reflecting an impact from price increases and steady declines in access costs.—Daniel P. Reingold and Richard C. Toole, Merrill Lynch, 2/10/94.

The combination of a cozy oligopoly that wishes to avoid price wars and falling operating expenses primarily due to [exchange] access cost reductions is an unbeatable environment in which to do business.—Timothy N. Weller and Nick Frelinghuysen, Donaldson, Lufkin & Jenrette, 6/1/94.

The long distance industry is one of today's premier growth industries. Where else

can you find: (1) double-digit unit volume growth, (2) declining unit costs, on a nominal as well as real basis, (3) a \$10 billion barrier to entry, (4) a benign, stable oligopoly where the price leader [AT&T] is looking to generate cash to fund other ventures, and (5) a prohibition on competition \* \* \* It is rare to see a full-fledged price war in an oligopolistic market, witness soft drinks. The same holds true in the long distance market.—G.W. Woodlief and E. Struminger, Dean Witter, 10/28/94.

Many investors still seem to believe that there has been some sort of "price war" among the major interexchange carriers. The fact is that although interstate telephone rates have come down by about 50% over the past decade, the entire decline has been "funded" by decreases in the amounts paid by interexchange carriers to the local exchange carriers for "access."—John Bain, Raymond James & Assoc., 1/12/95.

Overall, MCI's new Friends & Family program looks like just another round of discounting funded by previously announced increases in the base rates. By focusing on the discount instead of the rate, the industry has been able to quietly raise base rates while spending millions of dollars promoting ever-increasing discounts.—D. Reingold and M. Kastan, Merrill Lynch, 1/20/95.

Regardless of your carrier, you are paying higher and higher rates if you are among the tens of millions of Americans who have not signed up for a discount calling plan. The person paying the retail rate is bearing the disproportionate burden. And these are probably the people who can't afford to make a lot of phone calls and therefore [do not] qualify for those cheaper plans.—D. Briere, TeleChoice Inc., 1/21/95.

AT&T now has the same revenues as the entire Bell system just before the break up in 1984, when they spun off about 85 percent of their assets.—John Bain, Raymond James & Assoc., 1/24/95.

MCI . . . filed for a 3.9% across-the-board rate increase. We fully expect AT&T, Sprint, and the second tier carriers to follow suit. This move by MCI is extremely bullish for the long distance stocks since it sends a clear message to the investment community that the long distance industry will practice 'safe pricing' which will lead to stable revenue per minute trends.—Jack B. Grubman, Salomon Brothers, 2/6/95.

#### A TRIBUTE TO THE ORKAND CORPORATION

#### HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 22, 1995*

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute to the Orkand Corp., with headquarters in Silver Spring, MD, on the occasion of the company's 25th anniversary. Over the past quarter of a century, Orkand has grown from 2 to 2000 employees and is a leader in the high technology market.

The company has a long history of service to the Federal Government. More recently, the Orkand Corp. has begun serving the private sector, most notably healthcare researchers. The company has enhanced the critical work performed by several Federal agencies, including the Departments of Energy, Housing and Urban Development, Labor, State, the U.S. Postal Service and the Centers for Disease Control and Prevention.