

these, some are believed to have taken sanctuary inside Afghanistan, with Afghan armed groups that have Muslim fundamentalist leanings, including Mr. Sayyaf's. Police officials in Peshawar said this appeared to have been the pattern with Mr. Yousef.

"He'd stay here for a few days, then disappear into Afghanistan for months, then come back," the official said.

Others are said to have taken refuge in what are known here as the "inaccessible" areas of the frontier, meaning regions where no Pakistani laws apply. But a large number, according to diplomats and police officials, still live in and around Peshawar, using as cover some of the 18 Arab educational and relief organizations that registered with the Pakistani authorities during the Afghan war, among them the Al Dawat University. "Some of these organizations actually do what they are supposed to be doing," one diplomat said, scanning a list of the groups. "But others are just fronts for terrorism."

Another high-ranking diplomat said that Pakistani officials had been aware for years that at Al Dawat and other training centers, youths were being taught that Muslims had a duty to join in an international brotherhood that could avenge the humiliations Muslims are said to have suffered at the hands of the west.

"They are taught that the Islamic renaissance has to be born out of blood, and that only by striking at the West will Islam ever be able to dictate events in the world, as events have been dictated up to now by the West," the diplomat said.

A FLOW OF GUERRILLAS TO OTHER CONFLICTS

According to the diplomats, intelligence reports in recent years have suggested that militants trained here have taken part in almost every conflict where Muslims have been involved. The diplomats said Muslims trained here have fought in places including Mindanao, the largest of the Philippine islands, where Mr. Yousef is said to have had links with a Muslim insurgency; the Indian-held portion of the state of Kashmir, where 500,000 Indian troops and police officers are tied down by a Muslim revolt; the former Soviet Republic of Tajikistan; Bosnia; and several countries in North Africa that face Muslim rebellions, including Egypt, Tunisia and Algeria.

Like previous Pakistani Governments, Ms. Bhutto's has responded to Western pressures cautiously, fearing a backlash from powerful Muslim groups within Pakistan.

But many senior Pakistani officials resent Western pressures, saying that the terrorist groups that became established here got their start under politics that the United States and other Western countries eagerly supported, so long as the target was the Soviet Union.

"Don't forget, the whole world opened its arms to these people," one senior official said. "They were welcomed here as fighters for a noble cause, with no questions asked. They came in here by the dozens, and nobody thought to ask them: when the Afghan Jihad is over, are you going to get involved in terrorism in Pakistan? Are you going to bomb the World Trade Center?"

"The Afghan War was a holy war for everybody, including the Americans, and nobody bothered to think beyond it," the official said.

MORE ON WELFARE REFORM AND BLOCK GRANTS

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentlewoman from

California [Ms. PELOSI] is recognized for 5 minutes.

Ms. PELOSI. Mr. Speaker, I wanted to call to the attention of our colleagues H.R. 4. My colleagues who are viewing this from home, our friends who are viewing this from home should read this and weep. This is the Republican welfare proposal. It rewards the rich, cheats children and is weak on work.

But one particular aspect of this proposal is the federal children's nutrition program which I wish to address this evening.

My colleague earlier this evening referenced the fact that the child nutrition programs came into being following World War II, when the military told us that our recruits were malnourished and this took its toll on their physical and mental well-being. Since that time, feeding the hungry has not been a debatable issue in our country. Indeed, President Richard Nixon said, a child ill-fed is dulled in curiosity, lower in stamina and distracted from learning.

This has been our national policy until now. The proposal that the Republicans have placed on the table will take food off the table for America's poor children. And this is why.

You have heard much discussion here this evening about whether the Republican proposal is a cut or is not a cut in what they call the school lunch program. But what we are addressing in this bill is the full federal children's nutrition program. So if we are only talking about school lunch, then you are talking about a situation where the Republicans are saying, we are not cutting school lunch. But what they are cutting are the after-school and summer programs. They are giving the same amount of money and they say with an increase except they are cutting out one very important facet of the children's nutrition program.

In addition to that, they are making this a block grant and not an entitlement. Under the law now, there is a formula for needs-based, a formula that is needs-based for children who are poor. And now the Republican proposal will eliminate that entitlement and call it a block grant instead, which means a definite amount of money will be sent to the states. Why does that create a problem?

For the following reasons: First, in that block grant, there is a reduction of the money for the full children's nutrition program, including school lunch, school-based lunch program, and assistance for after-school and summer programs. These programs are very important to day care, children in day care who have to stay after school because their parents work. And work is the goal that we have for the welfare program. So that undermines that goal there.

Second, in this block grant, it removes eligibility, so you do not have to be poor to be a beneficiary of the Republican proposal, which means that

poor children will get less nutrition because more children can avail themselves of the program. This is supposed to be needs-based.

In addition to that, on the block grant program, it only says that a governor must spend 80 percent of the money that the Federal Government sends to the state. The governor only has to spend 80 percent of the money on the children's nutrition programs.

So already we have had a reduction of 20 percent because that is all the requirement is.

This is why people are concerned about what they hear coming out of Washington, DC. People are not fools. People who have received this benefit because it is necessary for children's nutrition know when they are getting cut. And then to hear semantics used about, well, when I said school lunch program, I did not mean after school or I did not mean summer school. Well, we are talking about the children's nutrition program. Let us refer to it there, and that is being cut. And eligibility is being removed and the requirement to spend all the money is being removed.

This is not even a fight between domestic spending versus defense spending, as is classic in this body, because this came from the military, recognizing the deficiencies and the malnutrition that they saw in our troops coming out of World War II. So this is about the strength of our country.

I did not even really get started. What I want to just say is that what the Republicans are doing is a real cut in the children's nutrition program. The welfare proposal they are proposing should not even contain a nutrition cut. Nutrition has never been part of the welfare program. It rewards the rich because that is what this cut is about, giving a tax break to the wealthiest Americans. It cheats children, and it is weak on work.

I urge my colleagues to oppose the legislation.

REPUBLICAN SHELL GAME

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

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks and include extraneous material.)

Mr. GENE GREEN of Texas. Mr. Speaker, I appreciate the opportunity to address the House tonight. I want to compliment our speaker on his ability tonight, but also when I heard last week that you were fortunate to have Dave Berry sit in your office just briefly as your press secretary, you are a very brave man, Mr. Speaker.

Let me talk about the welfare bill that we are considering because that has been the topic this evening. The Republican shell game continues with the lives of the children hanging in the

balance literally. Today my office received updated estimates on exactly how much the welfare reform bill would cost the state of Texas, and it would be over a billion dollars in the year 1996 and 1997.

The good news, if you can call it that, is that the early estimates of 60 million reduction for the Texas school nutrition program is now, after looking at the final bill that came out of the committee, will now only be a 35.1 million cut. And my Republican colleagues tonight, when they talked about that it is really an increase, they obviously, I would rather read and depend on outside the beltway information from someone who is looking at it than from someone who is inside the beltway.

The chief financial officer of Texas estimates, in fiscal year 1996, the appropriations will be sufficient. But after that year, with only the 4.1 percent increase, and I would like to read part of the letter and also have it all inserted from John Sharp.

I am happy to provide you with our analysis of the federal welfare reform proposals. The analysis below has been updated based on the bill language expected to reach the House floor.

Again, I received this today.

My concern isn't with making cuts in federal spending but rather with the unfair way in which Texas is being placed at a disadvantage and asked to shoulder more than its fair share. The proposals currently under consideration in Congress have a disproportionate and grossly inequitable effect on Texas. Nothing has changed since our preliminary analysis. While I support block grant funding as an effective way to reduce federal spending, the fact is that the current formulas being debated by Congress are based on past allocations for the states. It is unfair to Texas that high-spending, low-growth states like Michigan and Wisconsin would make money with the current formulas while Texas would be one of the hardest hit.

Texas is a typically low-spending and high-growth state for funding:

The inequity of the current formula would result in a loss of \$1 billion anticipated federal funds for Texas in the 1996-1997 biennial budget. I know Texans are willing to take their share of the cuts, but we want to make sure that we aren't penalized while other high-spending states avoid cuts and actually make money.

That is what we are looking at, if you are a member of Congress from Texas.

And to continue:

As far as your specific request regarding current funding formula proposals for the school nutrition program, we expect to sustain a shortfall of \$35.1 million during the next two-year budget cycle. The family-based nutrition program funding formulas will also cost Texas more than \$149.5 million during the same period.

I know earlier this evening my colleague from Ohio [Mr. HOKE] talked about how Ohio is going to benefit, but let me tell you, Texas is low spending on welfare but a high-growth state and we will lose money.

The Republicans will not admit that we grow at 8 percent each year. What they do not tell you is that now we

have a guarantee of a school lunch and that an increase in authorization, with an increase in authorization but a possible cut in the appropriations each year, the Republicans should not play the shell games with our children and take nutrition programs out of welfare reform. Under this shell game, the authorization under this bill is one shell. The appropriations is another. And yet the 80 percent that will only be required to be used is the other shell.

We ought to take school lunch out like the Deal amendment talks about. I am not a cosponsor of the Deal amendment, but I intend to vote for it because it is so much better than the current bill that we have. We do not call buying textbooks, computers, desks or other material in our schools welfare. And we should not call a school lunch or a breakfast that they are providing that helps them to be a better student welfare.

Congress must stop the shell game and calling school lunch and breakfast welfare. Call it like it is. It is a helping hand to our students. That is what we need to consider. That is why it should not be part of this bill, and that is why I would, the Committee on Rules did not let us have an amendment on the nutrition. But at least we will get a shot at it when we have the Deal amendment up.

Mr. Speaker, I include for the RECORD the letter to which I referred.

COMPTROLLER OF PUBLIC ACCOUNTS,
Austin, TX, March 22, 1995.

Hon. GENE GREEN,
House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN GREEN: I am happy to provide you with our analysis of Federal welfare reform proposals. The analysis below has been updated based on the bill language expected to reach the House floor. My concern isn't with making cuts in federal spending, but rather with the unfair way in which Texas is being placed at a disadvantage and asked to shoulder more than its fair share.

The proposals currently under consideration in Congress will have a disproportionate and grossly inequitable effect on Texas. Nothing has changed since our preliminary analysis. While I support block grant funding as an effective way to reduce federal spending, the fact is that the current formulas being debated by Congress are based on past allocations to the states. It is unfair to Texas that high-spending, low-growth states like Michigan and Wisconsin would make money with the current formulas, while Texas would be one of the hardest hit states in the Union.

The inequity of the current formulas would result in a loss of more than \$1 billion in anticipated federal funds for Texas' 1996-1997 biennial budget. I know Texans are willing to take their fair share of cuts, but we want to be sure we aren't penalized while other high-spending states avoid cuts and actually make money.

As for your specific questions regarding current funding formula proposals for the School Nutrition program, we expect to sustain a shortfall \$35.1 million during the next two-year budget cycle. The Family-based Nutrition program funding formulas will also cost Texas more than \$149.5 million during the same period.

Attached are two charts illustrating the estimated five-year impact of current nutri-

tional block grant funding proposals. We derived the estimates for the proposed block grants by taking the anticipated 1996-97 federal revenues for the affected programs from the current Biennial Revenue Estimate (BRE) and then subtracting the anticipated revenues from these programs in each block grant. The BRE revenue estimates are based on projected caseload growth, program costs and the federal share of total costs of the programs under current law.

Again, I strongly support block grants as a means of cutting federal spending, balancing the federal budget and returning control to the states. However, the future losses to be incurred by our state under the proposed funding formulas are unfair because they ignore the fact that Texas, with one of the fastest-growing populations and lowest per capita income rates in the nation, will have one of the greatest needs for these funds in the years ahead and yet, states like Michigan, which is losing population, face no loss of funds.

I look forward to working with you, the Texas delegation, the Governor and Texas' legislative leadership to ensure the necessary curtailments to federal spending occur—without treating Texas unfairly.

Sincerely,

JOHN SHARP,

Comptroller of Public Accounts.

Comptroller Estimates of Potential losses in federal funds under block grant formula for federal nutrition payments with Block Grant Caps, under formula approved by Committee.

NUTRITION FUNDING BLOCK GRANT FUNDING PROPOSAL

Combining total WIC, Child Summer Nutrition programs into single lump sum payment to the states (including growth rates in bill formula):

Year	BRE Estimate (millions of \$)	Proposed Block Grant (Grant formula)	Rev. loss
1996	\$476.1	\$412.7	\$63.4
1997	514.1	428.0	86.2
1998	555.3	442.1	113.2
1999	599.7	458.5	141.3
2000	647.7	475.4	172.3
Total			576.2

Total loss for 1996-97 biennium \$149.5 million.

SCHOOL NUTRITION FUNDING BLOCK GRANT FUNDING PROPOSAL

Replacing current enrollment-based funding formula for total school nutrition programs with Block Grant amount as approved in formula (including growth) by House:

Year	BRE Estimate (millions of \$)	Proposed Block Grant (Grant formula)	Rev. loss
1996	\$591.6	\$577.3	\$14.3
1997	621.8	601.0	20.8
1998	653.5	625.0	28.4
1999	686.8	651.3	35.5
2000	721.8	678.0	43.9
Total			142.9

Total loss for 1996-97 biennium: \$35.1 million.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ] is recognized for 5 minutes.