

functional amounts without including the Hospital Insurance Trust Fund.

*Conference agreement*

The conference agreement includes all of the required displays of levels and amounts, including those of Social Security outlays and revenues. The agreement also includes the amounts of the increase in the public debt subject to limit. With respect to the informational displays, the conference agreement contains the display of the gross interest on the public debt consistent with the levels of net interest in function 900. The conference agreement recedes to the House concerning the informational display of levels and amounts without the Hospital Insurance trust fund amounts and the House recedes to the Senate on the display of secondary loan guarantee commitments.

JOHN R. KASICH,  
DAVE HOBSON,  
BOB WALKER,  
JIM KOLBE,  
CHRISTOPHER SHAYS,  
WALLY HERGER,  
WAYNE ALLARD,  
BOB FRANKS,  
STEVE LARGENT  
SUE MYRICK,  
MIKE PARKER,

*Managers on the Part of the House.*

PETE DOMENICI,  
CHUCK GRASSLEY,  
DON NICKLES,  
TRENT LOTT,  
HANK BROWN,  
SLADE GORTON,  
JUDD GREGG,

*Managers on the Part of the Senate.*

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

[Ms. KAPTUR addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 5 minutes.

[Mr. OWENS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

THE BIGGEST RIPOFF IN  
AMERICAN HISTORY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. ROHRBACHER] is recognized for 60 minutes as the designee of the majority leader.

Mr. ROHRBACHER. Mr. Speaker, yesterday I had a telephone call from an old friend who was concerned about American trade policy, and he was opposed to NAFTA, the free-trade agreement that we passed with Mexico, and

that we will soon will be considering including Chile in the NAFTA agreement, and he was also concerned about GATT, the world trade agreement that we reached and we voted on late last year.

His question to me was: "How can the United States possibly compete with Third World countries? How can we compete when our labor force is paid \$10 an hour, and their labor force is paid 15 cents, 25 cents, 75 cents an hour? Doesn't trade with overseas countries, especially those in the developing world, mean that the American people will lose in the long run and that our own working people will have a lower standard of living?"

Well, my answer to my friend was an answer that really has been the answer that the American people have given to this very same question for many, many years. This is not a new fear that the American people have, because the American people have had a higher standard of living and a better way of life throughout our history as compared to the working men and women of other countries.

Mr. Speaker, how did we do it? How did we out-compete? How did the American worker out-compete those workers in Third World countries that were willing to work for such lower wages? The answer is we have done that because our working people and our businessmen have had the technology that is necessary to out-compete the competition, even when the labor costs are much lower.

Mr. Speaker, after World War II, we experienced a major jump in our standard of living in the United States of America. Were the wages around the world, were they any higher after the end of World War II than they are today, as compared to the price of the American worker? No. Yet at the same time we experienced a major increase in our standard of living, and America was out-competing everyone throughout the planet.

In fact in the 1950's and 1960's, Mr. Speaker, America was looked to throughout the entire planet as a source of goods and materials to be purchased by people for consumer items all over the world. Yet their own people were working for much lower wages. That is because after World War II, as in the time period before World War II, Americans had a technological lead on the world. It is technology and knowledge that have given us the competitive edge throughout our Nation's history. It was not the fact that our people were necessarily willing to work harder, because many people around the world work harder. Many, many people throughout the world work as hard, if not harder, than Americans, yet the American worker, coupled with technology, that work ethic that our people have coupled with technology, have made America the prosperous country that it is today and the prosperous country that it was in years

past. We have had the technological edge.

This did not just happen, and it did not just happen after World War II. I say to my colleagues, "If you look back in our history, the United States was the country that developed the reaper which magnified the amount of crops that could be harvested. We were the ones that took the steam engine, which was originally developed by the ancient Greeks, and turned it into an engine for progress and prosperity, an engine for the creation of new wealth. We were the ones who developed the telegraph and the telephone."

The list goes on, and on, and on. In fact, technological development was seen by our Founding Fathers as the means for which the United States would become that shining city on the hill that all of our Founding Fathers wanted her to be. No other country in the world put patent protections of technological innovation into its constitution. There is no other country. Yet, if we look in our Constitution, our Founding Fathers insisted that there be a Patent Office. It is written into the Constitution.

Why is that? I say to my colleagues, "If you look back at the men who created this great democracy of ours, you will see that they had two things that they believed in. There was—well, they had many things they believed in, but the two important things they believed in in terms of government was they believed in freedom of the individual, which included peoples' religious freedom, and their rights to speak, and their rights to gather together, their rights to petition their government and to control their own destiny; they believed in that freedom, and they also believed in technology."

Mr. Speaker, with technology and freedom, America would become an example for all the world to see, that the common man can live in decency, and can control his or her own destiny, and that our country could be an example to the world, and that instead of vast military might, that our country would have the allegiance of free people all over the world or those people all over the world who long to be free.

Yes, Thomas Jefferson himself was a technologist. Those of you who visit Monticello might be impressed to see the many inventions that he himself developed to help life around that 19th century agricultural compound be more easy for the people of this compound. But Benjamin Franklin, also one of the great Founding Fathers of our country, is renowned even today for his exploration of ideas and his development of technology.

These men made sure that American investors and American inventors would have the incentive to develop the technology that would be necessary to make America the example of progress and freedom that they foresaw. One of the things that they put into the Constitution, as I say, was the Patent Office, and Americans have,

over our 100 year history, enjoyed some of the most extensive and strongest patent protection of any people on this planet.

Now patent protection is a dull and uninteresting subject. Just like in many cases when we talk about our other freedoms, people just take them for granted. In fact it has been said "Freedom is very much like the air, and that is the air is—you can't see it, you can't touch it, and it is very easy to take air for granted."

That is the same way it is for freedom. Freedom is the fact that there is no someone who comes to your church every Sunday and has to approve the sermon of your minister. Freedom is that the school teachers and our university professors do not have to have their subject matter approved, because that sensor is not there. Freedom is when a person can open a book store or someone can quit his job without asking for government approval. This is what freedom is. It is the absence of the Government coming down and destroying freedom.

Well, you can take freedom for granted, just like the air. But when the air is cut off, when your air is cut off for even one millisecond, you begin realizing how important air is to you, and that is the same with freedom. Once you cut it off, even for a short period of time, those people who have enjoyed it understand the importance of air and understand the importance of freedom. They go together because they can be taken for granted. But when you are denied your freedom or denied air, you understand how important they are. They are important to the life of mankind, and they are essential, freedom has been essential, to what Americans have felt our country is all about.

Well, that is the same with one of our rights, one of our very fundamental rights that people have always taken for granted, and that is the right of patent protection. That means, if you come up with an idea, and you get an investor to invest in your development of that idea, you own that idea for a given period of time. In fact, you register it like a piece of property with the Government, and, when you file for your registration, the Government will peruse that, and after perusing your application, provide you what is basically a deed. It is a patent for your creation so that you and the investors in your idea can reap some profit, some benefit, from that.

That is the secret of the American miracle. We provided an incentive for investors and inventors throughout our history to invent the new machines, the new technology, that catapulted the standard of living of the common man. Our people were able to live decent lives and have good jobs, and they could provide for their families, and we had enough wealth in our society so we had education and an infrastructure for our people because the investors and the inventors were given the incentive

to come up with the ideas that changed the condition of humankind.

This has been going on throughout our history. Over the last 100 years our inventors and our investors have had the protection guaranteed that, if they would file an invention with the Patent Office seeking a patent, that no matter how long it took them to be issued that patent, once it was issued, they would be given 17 years of protection, at which time anyone using that technology would have to pay them for the right to do so. It is called royalties.

Well, this has just changed. Unbeknownst to the American people and unbeknownst to most Members of Congress, there has been a dramatic change in the patent rights, and believe me, when the effect of this begins being felt by the American people, it will be as if someone is strangling them and denying them what they have taken for granted, their air, because this will have a dramatic impact, in the long run, on the standard of living of our people. We have changed the fundamental rules that have provided the prosperity and the jobs and the economic well-being that our people have learned to take for granted.

Mr. Speaker, that change was put into the GATT implementation legislation. The GATT, as you are aware, is an agreement among the nations. It is a trading agreement that said these are a set of rules which will guide us, and any nation that signs onto this set of rules will be part of this global trading structure.

The fundamental idea is a sound idea, and we were promised that, if we would vote for fast track—now that is a term that means we in Congress gave the right to the President to negotiate any of this agreement with GATT, and when he brought the treaty to us, we would have 60 days to look it over, and that he also agreed not to put anything into that treaty, or into that implementation legislation of the treaty, that was not required by the treaty.

What happened was, a provision was snuck into the GATT implementation legislation last year that was not required by the treaty itself, and although it is very difficult for the American people to understand the ramifications of this very small part and this very complicated issue of patent protection, they will feel the consequences unless we correct this misdeed that has taken place in this body. What happened was that in the implementing legislation we changed the rules so that now, when an American inventor applies for a patent, he applies. In the past, no matter how long it took him to get his patent, he would have 17 years as soon as the patent was issued. He would have 17 years of protection. Now what will happen after the GATT implementation legislation is put into effect, is that when the patent applicant files, the clock starts ticking. Those people who put this change into the law thought, "Well, gee, we are going to make it sound like

we are actually expanding the patent rights of the American people," and so the clock starts ticking and it is all over in 20 years.

Now if the average patent does take only 19 months, which some people are claiming, then that would be a good deal for the American people. But what has happened is that the American people, and even the people who passed the laws, have been given misinformation about the patent process itself. Significant patents, whether it is the laser, or whether it is plastic bottles, or whether it is technology that will make us more competitive with the rest of the world, breakthrough technologies, take not just 19 months, not just 3 years, not just 5 years. Most of the major technologies that have given us our competitive edge in world competition, most of these have taken 10 to 15 years and often longer to have a patent issued.

Now what does that mean? That means we have, in reality, dramatically reduced, if not eliminated, the patent protection of America's inventors and investors. If someone comes up with a breakthrough technology and it takes them 15 years in order to get that patent issued, he is at the mercy of the bureaucrats at the Patent Office. He is at the mercy of international, multinational, and foreign corporations who might try to put legal hindrances in the way of issuing that patent. He is at the mercy of those people because the clock is ticking and it is on his time. That person, who could develop the technology that would make us competitive with mainland China or make us competitive with Asia or Europe in the future, that technology will not have anywhere near, if any, of the protection that past inventors and investors had in the United States of America.

What we have seen in this body is a change of law which was difficult to understand, but it will have major ramifications. What will that mean? What will this change of law in the patent law mean? And, by the way, it was not required by GATT, and they wanted to give us only a few days to consider the whole GATT implementation legislation. So they broke their word to us by putting something into this treaty that was not required for us to vote on, but yet it was put in because they knew that this was the way they could sneak it past this body, and what does it mean?

It means that billions of dollars that should be going into the pockets of American inventors in the form of royalties for multinational and foreign corporations now will stay in the pockets of those multinational and foreign corporations because we have so dramatically reduced the patent protection for significant technological developments. We are talking about billions and billions of dollars that should be going to Americans, that will now stay overseas.

Worse than that, we are reducing the time in which our inventors and investors can control the technology that they have created. Thus foreign interests, multinational corporations and foreign corporations can now use the technology after a few short years that would have had 17 years of protection, and what will they be using it for? They will be using it to out-compete the American people.

Mr. Speaker, what we have done is, as we are entering this new era of technological development in the world, this new era when genius will be so important and creativity will give us the edge, we have disarmed our own people. We have basically put ourselves at the worst competitive advantage, because what we have done is taken our greatest asset, our creative people and our investors in new creative ideas, and we have taken away their incentive and taken away their protection.

This will result in foreign corporations not paying royalties and foreign corporations using our technology against itself. It is the biggest ripoff in American history. Yet it continues to this day.

I have submitted a piece of legislation, H.R. 359, which has 177 cosponsors. That is 177 of my colleagues; I managed to speak with them, and talk to them personally, and to get their attention, because there are many, many issues of importance here on the floor of the House that divert peoples' attention. This is only a small issue to most people, and it is hard to understand. Yet 177 of my colleagues have signed on as cosponsors to my bill, H.R. 359, to restore the American patent rights to what they were before the GATT ripoff was implemented late last year—177. In the Senate, Senator DOLE has cosponsored a similar bill that, if passed, will do the same thing, which will restore American patent rights. That is S. 284.

Senator DOLE and I, all we want is basically not to see a diminishing of the patent rights that Americans have enjoyed for many, many years.

Mr. Speaker, as of yet we have not been permitted, my legislation has not been permitted, to come to this floor for a vote. Now what is Congress all about if you have 177 cosponsors, and by the way, for those of you who do not understand this, this is an enormous number of colleagues to join together, both Republicans and Democrats, on one piece of legislation saying we want this to be passed. I have not been on a bill that had so many cosponsors before. Yet it is being hindered; there are roadblocks being put in the way of the bill which prevent the legislation from coming to a vote on the floor.

Now why would this happen? Why would someone be so arrogant enough to say, "Well, you may have 177 cosponsors, but you're not going to get your vote on the floor because my point of view is more important than 177 of my colleagues'?"

Well, what has happened is one Congressman, one Congressman who is the

chairman of an obscure subcommittee, which my piece of legislation must go through before it comes to the floor, the one person, the chairman, is opposed to it. His name is CARLOS MOORHEAD, CARLOS MOORHEAD of Glendale, CA. Mr. MOORHEAD refuses. He will not be satisfied with voting against my legislation. Instead, Mr. MOORHEAD is holding it up in subcommittee, refusing all of his colleagues the right to make the decision.

Now you might ask what is his motivation. We in the House of Representatives always take for granted that the motives of our colleagues are good motives, and let us examine what is the possible good motive for someone wanting to—what I believe to support is a dramatic reduction in American patent rights. Why would someone do this?

Well, it is the belief that some people have that American patent rights have been too strong because we are out of sync with the rest of the world, and thus we are out of sync with the rest of the world. This is an attempt by the head of the Patent Office, Bruce Lehman, and Mr. MOORHEAD, and several others in this town, who believe that our rights, in terms of our economic rights and our patent rights, should be harmonized with the rights of other people in the world.

In other words, they are seeking to implement an agreement that Mr. Bruce Lehman, head of our Patent Office, made with the head of the Japanese patent office.

I ask, "You understand what's happening here?" They are harmonizing America's economic rights, our fundamental patent rights of our citizens, harmonizing it with the Japanese by what? By lowering the standard that our people have enjoyed, the rights of our people.

If we are going to harmonize our rights, our economic rights, especially our patent rights, with other countries, especially countries like Japan who have no love for individual freedom whatsoever, we should be harmonizing them upward toward us, rather than them bringing our system down toward them. But these people believe that, if you have a harmonization, and our patent rights are similar to the Japanese patent rights, that it will be better for a world trading system.

Mr. Speaker, that is absolute nonsense. This is the equivalent of someone telling us, as Americans, that we have too many human rights, and in fact the Bill of Rights is way out of sync with all of the other democracies. Thus, what we are going to do is harmonize our individual rights by diminishing the Bill of Rights by two or three amendments.

What would the American people think about that? What would they think about it? They would reject it out of hand if they were given the choice.

What has happened here is an issue of vital importance to our prosperity and

the well-being of our people. A very complicated issue has been determined by some power brokers behind the scenes, and they are preventing this house from voting on a piece of legislation that would negate a back-room deal that they made with the Japanese.

In the long run, what will this do? Well, I can tell you that in the short run it has already had a horrible impact on our society. What has happened is that American investors now, unlike last year and the year before and the hundred years before that, American investors now are not certain that they will have the 17 years that they used to have to recoup their investment.

Already American investors in the venture capital industry are hesitating about investing in new capital because—our investing new capital in new technology because they realize it might take, the process of getting a patent might take 15 years or 20 years for new technology to get through, and they would have no time to recoup their investment.

This makes—I will tell you, when Americans do not invest in new technology, we are at the mercy of other countries like the Chinese and the Japanese who are willing to put money into their—from their government into government-created technology.

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What is happening is if we permit this change in the patent law to continue, MITI, which is an organization in Japan which directs their investment, will be directing their investment in technologies to destroy our economic competitiveness, and at the same time, on our side, we have eliminated the incentive for American investors and inventors to invest in new technology. This is total insanity. It is a formula for disaster for the American people, and, on the face of it, it is a rip-off of American patent rights.

I am hoping that my colleagues, and I have 177 already as cosponsors, will join with me and insist that we have a direct vote on the floor, and that if CARLOS MOORHEAD, the chairman of the subcommittee that is holding this up, does not want a vote on the floor, then he can express that. If he opposes the vote, that is fine, but he should not have the power to stop a vote on the floor. A chairman of a subcommittee who prevents a bill, even if he disagrees with it, from coming to a vote, is doing a great disservice to the American people and the cause of democracy in a situation like this.

I would hope that Mr. MOORHEAD understands that in good faith, if he disagrees with the idea that we should maintain our level of patent protection, that he can vote against that. He can vote against my piece of legislation that would restore patent protection. But he should not prevent the rest of us from voting.

Adding insult to injury, recently something just happened that might indicate even worse things about the

plans that these people have for American patent protection. While my legislation has not been permitted to come to the floor for a vote, there is another piece of legislation that went through Mr. MOORHEAD's committee. It was a piece of legislation that only had two cosponsors. It was H.R. 1733. The American people should know what was in this piece of patent legislation.

This piece of patent legislation, which Mr. MOORHEAD already had hearings on in his subcommittee, states the following: That if someone files for a patent, an American inventor files for a patent, even if it is not issued, after 18 months that patent will be published for the world to see.

Is there anyone who cannot see the implications for this? This is the equivalent of erecting a huge neon sign over the American Patent Office saying to the rest of the world, "Come and steal America's technological secrets." Because even before the patent is issued, it will be published, and I can tell you the Japanese and the Chinese and everybody else who want to copy American technology, will be in line at the Xerox machine in order to get their copies, and then running back to their offices to use the fax machine in order to get those plans to their own industrial leaders to copy America's technological genius. We are talking more than a ripoff here. We are talking about wholesale robbery of America's inventions. We are talking about an invitation by our Government to do so.

What will this mean to the American people? What it will mean is that American workers, who have always enjoyed the competitive edge because we have had the machines that permitted us to work better and to produce more than the competition who might have had workers that would work for lower wages, slowly but surely you will see our competitive edge erode, and the standard of living of our people, now in decline, will turn into a tailspin.

I say to you today that we owe it to the American people to see that our country remains the No. 1 technological power in the world. What that means is we owe it to our inventors and our investors to provide them an incentive to invest their time and their resources in the technologies we will need to maintain the standard of living of our people.

This is a difficult issue to understand. But what should not be difficult for people to understand is there are forces in this world today that not only do not care about the standard of living of the American people, but see it as a negative, because the standard of living of the American people gives high hopes to their own people. The other people, people in other countries, want to live at higher standards of living because the American people do.

We should not be destroying the American dream for the citizens of the United States. We should be extending the American dream so that people ev-

erywhere, in every country, know that they too, with freedom and technology, can improve their lot and provide for their families.

We stand at a crossroads because we are in a new era of human history. The cold war is over. We are now entering an era of global competition. It is imperative that we restore the patent rights of the American people, because in this new era of global competition, our very lives and our standard of living depend upon it.

I would ask my colleagues to join me in supporting 359, and would ask that the subcommittee chairman who is holding this bill up permit it to come to the floor; and if he opposes it, to honestly state his opposition, but to let the rest of the Members of Congress have a say and let them express themselves as well, and give the Members of Congress a chance to vote up or down in front of the American people on this issue, that may be complicated, but is so vital to the standard of living and maintaining the well-being of our citizens throughout this country.

#### IN DEFENSE OF FREEDOM

The SPEAKER pro tempore (Mr. GOODLATTE). Under the Speaker's announced policy of May 12, 1995, the gentleman from Illinois [Mr. POSHARD] is recognized for 60 minutes as the designee of the minority leader.

(Mr. POSHARD asked and was given permission to revise and extend his remarks.)

Mr. POSHARD. Mr. Speaker, this week we will be debating and voting on a constitutional amendment to allow the States to prohibit desecration of the American flag. We have many important items on our agenda this week and time for debate will be short so, therefore, I would like to address this issue today, and I would like to do so, at least in the beginning, from a historical perspective.

Our Founders, the people who settled this country, were men and women of great faith. They came to this country and lived here for a long while under the edict of the King of England. They came here to escape the suppression of their freedoms, but found as colonists they were still under the control of the King. They were not free to speak their minds, to criticize the government. They were not free to assemble, to discuss their problems, because the government, the King, was afraid it might end up being a grievance against him.

They were not free to choose their own religious beliefs according to the dictates of their conscience. They worshipped in the Church of England, or they did not worship at all. The Church of England had the official blessing of the state. The church and the state had formed an alliance linking themselves together, so the church never had to fear the loss of parishioners to other faiths, and the state could continue to control the people through the church.

Newspapers were not free to criticize the government, or they would be shut down. The government, if they even suspected a citizen of criticizing them, even in private, could take a citizen from his home in the middle of the night, charge him with sedition against the government, and that citizen could be jailed or punished without ever having been allowed a trial. Time and again, they tried to confiscate the firearms of the citizens because they feared an armed protest against the government.

In short, the people were not free. Government controlled their lives in attempts to force its will upon the people.

As it is always true whenever a government attempts to force its will on the people, the people rebelled. They sent their representatives to Philadelphia to form the First Continental Congress, and that Congress decided to throw off the bonds of slavery that bound them to England. They declared their independence, raised an army, made George Washington its commander, and, in their own revolution, won their freedom from the oppressive Government of England.

After the Revolutionary War they went back to their individual States and a great debate arose as to whether or not they should even form a national government. They so distrusted a central government and its potential for ruling their lives that when they thought of a national government, all they could remember was oppression.

But there were certain national issues that had to be dealt with. Foreign trade had to be considered, paying off their war debts, and so on, and so they sent their representatives back to Philadelphia to form a Second Continental Congress, and it was this Congress that had the task of putting together a new government. They wrote a Constitution of the United States of America.

Notice how they said the "United" States of America. Before, they were not so united. They had operated under the Articles of Confederation, which gave great powers to the individual colonies. They had vast disagreements between themselves, and this new government was their attempt at becoming united.

The Constitution they had written said this new government would consist of three branches. No. 1, the legislative, would be elected from among the people to make the laws; No. 2, the executive, would be elected by the people to execute the laws; and, No. 3, the judicial, would be appointed by the executive and approached by the legislative, and they would judge and interpret the laws.

The judicial, the Supreme Court, was appointed for life, because the Founding Fathers knew that if the Supreme Court had to be subjected to the popular opinion of the people every so many years just to keep their jobs, they may do as many members of the legislative