

significant. A recent study by the Boeing Co. emphasizes the critical importance of our firm stand during that dispute.

Boeing Company's recently released annual world cargo forecast predicts the highest air freight market growth over the next 20 years will occur on Asian routes. Moreover, the study found international express delivery service grew 25 percent last year and it predicts the market will grow 18 percent a year for the next 20 years. That is why it was of critical importance that we safeguarded Federal Express' beyond rights. Now, Federal Express is well-positioned to earn its fair share of expanding Pacific rim business opportunities.

Later this month in Tokyo, our negotiators will attempt to secure a United States/Japan open skies agreement on cargo. I hope these talks result in the fullest liberalization of cargo shipping rights possible. I am confident our cargo carriers can effectively compete with their Japanese counterparts if protectionist regulations are eliminated and market forces are allowed to work.

#### EXHIBIT 1

[From the Journal of Commerce, Aug. 31, 1995]

#### FEDEX HUB TO GIVE LIFT TO SHIPPERS, PHILIPPINES

(By William Armbruster and P.T. Bangsberg)

Subic Bay, once the jumping off point for the U.S. military's cold war efforts in Asia, becomes key to Federal Express Corp.'s expansion plans on Monday, providing a major boost for the company, the local Philippine economy and both Asian and North American shippers.

AsiaOne, FedEx's intra-Asian network, opens its new Asia hub Sept. 4 at the former naval base. The operation, which nearly sparked a trade war with Japan, is shaking up the Asian market, making both regional and trans-Pacific shipments easier, quicker and cheaper while spurring foreign investment in the Philippines.

"It's really going to expand opportunities for investment in the Philippines," said Levi Richardson, director of the U.S.-Philippine Business Committee in Washington.

AsiaOne, FedEx's intra-Asia network, "will make the Philippines very attractive as a regional hub for other companies," Mr. Richardson said. "A lot of small and medium companies are looking at countries with a good infrastructure. FedEx's investment is going to provide them an opportunity to grow their business."

Joseph Schwieterman, a transportation economist at DePaul University in Chicago, said the new FedEx service will lead to intense price competition.

"I think you're going to see the price of intra-Asia shipments drop as much as 25% as competition heats up," he said, adding that AsiaOne also will provide overnight service on some routes for the first time.

Much of the foreign investment thus far at Subic Bay, a former U.S. naval base, has come from Taiwanese companies, such as Acer Inc., ranked the world's seventh-largest brand name personal computer vendor in 1994 by International Data Corp. in Framingham, Mass.

"The new FedEx service will be a great benefit for us by cutting lead time inbound and speeding shipments outbound," said Kenny Wang, manager at Acer Information Products (Philippines) Inc.

"Having a direct flight into Subic from Taipei will cut the time for delivery of components to one or two days from two or three days when routed via Manila, and 10 days by sea," Mr. Wang told The Journal of Commerce.

Cliff Deeds, a FedEx spokesman, said the carrier will have a single cutoff time for pickups in the Asian markets served by the new network, whereas shippers in the past faced different cutoffs depending on where they were shipping their goods. For those in Penang, a high-tech manufacturing center off the northwest coast, they might have a 1 p.m. deadline for shipments to Seoul, but a 2 p.m. cutoff for packages going to Taipei.

Under the new FedEx network, the cutoff in Singapore will be 4 p.m., for example, but at Subic Bay, it will be 10 p.m., Mr. Deeds said.

"I see FedEx being instrumental in bringing Asian markets closer to the U.S.," said Raul Rabe, the Philippines' ambassador to the United States.

The Subic Bay flights, connecting 11 Asian business centers, will hook up with the carrier's expanded trans-Pacific operation. Acer's Mr. Wang said he looks forward to the new flight starting Sept. 4 from Osaka to Oakland, Calif., where FedEx has a regional hub serving Silicon Valley. "We've been promised one-day service on that run," he said.

Subic is Acer's first manufacturing site outside Taiwan. It has earmarked \$35 million over the next two years for expansion, with officials expecting to double capacity of its existing complex to 200,000 units by next year.

Acer will also add a global repair center at Subic "to take advantage of the abundant availability of high-quality local engineering talent," said Managing Director Harvey Chang.

#### TEXAS INSTRUMENTS GREET'S MOVE

Larry Horton, manager of logistics carrier management for Texas Instruments, welcomed the new FedEx operation. "It will give us a lot more cargo flights," he said. "We used to have to rely on commercial carriers for intra-Asia shipments."

The semiconductor manufacturer has a large operation in the Philippine city of Baguio and hopes FedEx will set up a small feeder service linking it with Subic Bay, he said, adding that the new hub will enable the company to feed its plants in Taiwan, Malaysia and Singapore.

"It should help us. Cycle time should be improved. Inventory reduction should take place," Mr. Horton said.

#### ANOTHER MEMPHIS

Joseph C. McCarty, FedEx's vice president for Asia, told a conference in Washington this summer that the Subic Bay operation will do for the Philippines what the carrier's main hub in Memphis has done for that city, where more than 100 companies have set up manufacturing operations to take advantage of the carrier's overnight network.

Japanese companies are starting to move in. The Japan International Development Organization is planning a 450-acre industrial park that will serve as a research and manufacturing center for 10 Japanese companies.

Subic, meanwhile, is promoting itself as an alternative printing and distribution center in Asia, a field now dominated by Hong Kong and Singapore.

Eric Montandon, manager at New Age Publications in Subic, said the new FedEx service could help his firm. New Age is essentially a printer, but also distributes newsletters, advertising and other material within the region.

"We were spun off and set up at Subic in anticipation of good air connections," he

told The Journal of Commerce. "We need the overnight service to Southeast Asia FedEx is now promising."

Current movement to Singapore can be two or even four days, he said.

DHL Worldwide Express plans to set up its own intra-Asia hub later this fall in Manila, but has had difficulty putting all the pieces together. Nonetheless, spokesman Dave Fonkalsrud said its traffic within the region was up 48% in the first half of this year, reflecting the tremendous potential in the world's fastest-growing area.

#### THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, on that evening in 1972 when I first was elected to the Senate, I made a commitment that I would never fail to see a young person, or a group of young people, who wanted to see me.

It has proved enormously beneficial to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the nearly 23 years I have been in the Senate.

Mr. President, most of them have been concerned about the enormity of the Federal debt that Congress has run up for the coming generations to pay. The young people and I almost always discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 22, 1992. I wanted to make a matter of daily record of the precise size of the Federal debt which as of yesterday, Monday, September 11, stood at \$4,962,944,077,933.57 or \$18,839.42 for every man, woman, and child in America on a per capita basis.

#### MICKELSON WETLAND MEMORIAL

Mr. PRESSLER. Mr. President, nearly 2½ years have passed since South Dakota Gov. George S. Mickelson and eight distinguished South Dakota businessmen were killed tragically when their small aircraft crashed near Dubuque, IA. During this time, South Dakotans have grieved together over the loss of the crash victims. They are greatly missed.

Dealing with the loss of these prominent citizens has not been easy. Yet, the people of South Dakota have been strong. They have channeled their sorrow into great displays of respect and affection for the crash victims. Memorials have been built, statues erected, scholarships funded, and schools renamed—all in honor of the nine who perished in the fiery crash. I am proud of South Dakotans.

Last Saturday, September 9, a marsh near Estelline, SD, was dedicated in memory of Governor Mickelson, an avid geese hunter. Commissioned to paint an image of the Mickelson Wetland Memorial, Mark Anderson, a South Dakota wildlife artist, created a poignant image of the late Governor

and the marsh. These tributes are powerful. They are reminders of the admiration and respect South Dakotans hold for the crash victims. They are reminders of the lives—not the deaths—of nine fellow South Dakotans. They are reminders of how their lives gave our lives and our State meaning and fulfillment.

Kevin Woster of the Sioux Falls, SD, Argus Leader, recently wrote an article describing the painting Mark Anderson completed of the wetland memorial. I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks. It is unfortunate that my schedule prevented my wife Harriet and me from being at last Saturday's dedication. Our thoughts and prayers certainly were with Linda Mickelson and the families and friends of George Mickelson on that special day. The dedication of the marsh and Mark Anderson's work are a fitting tribute to a great South Dakotan who dedicated his life to a State and a people he loved.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Sioux Falls, SD, Argus Leader, Sept. 9, 1995]

**MICKELSON MARSH'S DEDICATION TODAY**  
(By Kevin Woster)

Sioux Falls wildlife artist Mark Anderson will leave his mark today on dedication ceremonies for a wetland memorial to the late Gov. George Mickelson.

Anderson, 37, was commissioned by Mickelson friends to do a painting of the wetland, including an image of Mickelson.

The painting shows the marsh 3 miles west of Estelline with a flock of Canada geese hovering above the water.

That was the easy part for Anderson, who has been painting wildlife for 15 years. But he struggled with Mickelson's image.

"It was really challenging, because this was the first time I ever attempted a portrait," the self-taught artist said.

"And I wanted this one to be right."

It turned out it wasn't right the first time around. When Anderson showed the painting to Mickelson's wife, Linda, and son, Mark, they thought the marsh and geese were perfect.

But the image of Mickelson wasn't quite right.

"You hate to tell somebody that, but I was honest with him and so was Mom," Mark Mickelson said.

"He didn't have a very good print of Dad to work with in the first place."

So Linda Mickelson provided photographs that helped Anderson more clearly capture her husband. And he finally produced an almost-ghostly image of the late governor wearing a baseball cap that reads "Top Gov."

Mickelson wore the hat at his annual governor's hunt and other outdoor events.

"When I brought it back, Mark said, 'That's Dad.' And I knew I had it," Anderson said.

Mark Mickelson agreed.

"He nailed it the second time. It's quite a tribute to a wildlife artist to do such a good job on a portrait."

A small version of the painting is included in the brochure for today's dedication.

And the Mickelson Wetland Memorial Committee paid for 175 prints, which will be signed by Anderson and given to major donors to the wetland project.

Committee members gave the original painting to Linda Mickelson, Friday night.

Mark Mickelson said the painting reflects the essence of the memorial.

"He captured the spirit of the marsh," mark Mickelson said.

"And he captured the spirit of Dad's friends, who really were the impetus behind the project."

**DEPARTMENT OF DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1996**

The text of the bill (S. 1124) bill to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, as passed by the Senate on September 6, 1995, is as follows:

S. 1124

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Department of Defense Authorization Act for Fiscal Year 1996".

**SEC. 2. TABLE OF CONTENTS.**

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

**TITLE I—PROCUREMENT**

**Subtitle A—Authorization of Appropriations**

Sec. 101. Army.

Sec. 102. Navy and Marine Corps.

Sec. 103. Air Force.

Sec. 104. Defense-wide activities.

Sec. 105. Reserve components.

Sec. 106. Defense Inspector General.

Sec. 107. Chemical demilitarization program.

Sec. 108. Defense health program.

**Subtitle B—Army Programs**

Sec. 111. AH-64D Longbow Apache attack helicopter.

Sec. 112. OH-58D AHIP Scout helicopter.

Sec. 113. Hydra 70 rocket.

Sec. 114. Report on AH-64D engine upgrades.

**Subtitle C—Navy Programs**

Sec. 121. Seawolf and new attack submarine programs.

Sec. 122. Repeal of prohibition on backfit of Trident submarines.

Sec. 123. Arleigh Burke class destroyer program.

Sec. 124. Split funding for construction of naval vessels.

Sec. 125. Seawolf submarine program.

Sec. 126. Crash attenuating seats acquisition program.

**Subtitle D—Other Programs**

Sec. 131. Tier II predator unmanned aerial vehicle program.

Sec. 132. Pioneer unmanned aerial vehicle program.

Sec. 133. Joint Primary Aircraft Training System program.

**TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION**

**Subtitle A—Authorization of Appropriations**

Sec. 201. Authorization of appropriations.

Sec. 202. Amount for basic research and exploratory development.

**Subtitle B—Program Requirements, Restrictions, and Limitations**

Sec. 211. A/F117X long-range, medium attack aircraft.

Sec. 212. Navy mine countermeasures program.

Sec. 213. Marine Corps shore fire support.

Sec. 214. Space and missile tracking system program.

Sec. 215. Precision guided munitions.

Sec. 216. Defense Nuclear Agency programs.

Sec. 217. Counterproliferation support program.

Sec. 218. Nonlethal weapons program.

Sec. 219. Federally funded research and development centers.

Sec. 220. States eligible for assistance under Defense Experimental Program To Stimulate Competitive Research.

Sec. 221. National defense technology and industrial base, defense reinvestment, and conversion.

Sec. 222. Revisions of Manufacturing Science and Technology Program.

Sec. 223. Preparedness of the Department of Defense to respond to military and civil defense emergencies resulting from a chemical, biological, radiological, or nuclear attack.

Sec. 224. Joint Seismic Program and Global Seismic Network.

Sec. 225. Depressed altitude guided gun round system.

Sec. 226. Army echelon above corps communications.

Sec. 227. Testing of theater missile defense interceptors.

**Subtitle C—Missile Defense**

Sec. 231. Short title.

Sec. 232. Findings.

Sec. 233. Missile defense policy.

Sec. 234. Theater missile defense architecture.

Sec. 235. National missile defense system architecture.

Sec. 236. Cruise missile defense initiative.

Sec. 237. Policy regarding the ABM Treaty.

Sec. 238. Prohibition on funds to implement an international agreement concerning theater missile defense systems.

Sec. 239. Ballistic Missile Defense program elements.

Sec. 240. ABM Treaty defined.

Sec. 241. Repeal of missile defense provisions.

Sec. 242. Sense of Senate on the Director of Operational Test and Evaluation.

Sec. 243. Ballistic Missile Defense Technology Center.

**TITLE III—OPERATION AND MAINTENANCE**

**Subtitle A—Authorization of Appropriations**

Sec. 301. Operation and maintenance funding.

Sec. 302. Working capital funds.

Sec. 303. Armed Forces Retirement Home.

Sec. 304. Transfer from National Defense Stockpile Transaction Fund.

Sec. 305. Increase in funding for the Civil Air Patrol.

**Subtitle B—Depot-Level Maintenance and Repair**

Sec. 311. Policy regarding performance of depot-level maintenance and repair for the Department of Defense.

Sec. 312. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.

**Subtitle C—Environmental Provisions**

Sec. 321. Revision of requirements for agreements for services under environmental restoration program.