March 19, 1996

Mr. Speaker, the next individual selected to be recognized by the Cuyahoga County Bar Association is Francis A. Rutkowski. Mr. Rutkowski is supervisor for the Cleveland municipal court. In this post, he supervises eight probation officers who prepare pre-sentence reports for court judges.

A resident of Westlake, OH, Mr. Rutkowski developed his keen sense of public service while watching his late father, Judge Anthony Rutkowski, tackle the challenges in the courtroom. Mr. Rutkowski's career has included service as a deputy sheriff and probation officer. He is also the past president of the Polish Roman Catholic Union of America and served as lecturer at Cleveland State University.

Mr. Rutkowski is a graduate of John Carroll University and Alliance College. He received his law degree from the Cleveland-Marshall College of Law. His professional associations include the American Correctional Association, Ohio Correctional and Court Services Association, National Sheriff's Association, National Association of Chiefs of Police, and the American Bar Association, just to name a few. He and his wife, Patricia L. Buk, are the proud parents of four children; Christine, Joseph, Anne, and Michael.

The next honoree, Ria Moredock Sobolewski, is a former free lance court reporter. For the past 19 years, she has served as the official court reporter for the domestic relations court. She is responsible for the creation of a verbatim record of all court proceedings.

A graduate of West Virginia University and the Academy of Court Reporting, Ms. Sobolewski holds memberships in the National Court Reporters Association and the Ohio Court Reporters Association. She is also the recipient of numerous awards and certificates of merit for outstanding work.

Ms. Sobolewski is the wife of John Sobolewski. The couple resides in North Olmsted, OH, and have enjoyed 20 years of marriage. They are the proud parents of Amy and Johnny.

Mr. Speaker, the final recipient of the Franklin Polk Public Servant Merit Award, Jetta C. Wolf, has enjoyed a career as a legal and judicial secretary which has spanned 39 years. A graduate of Holston High School in Blountville, TN, she began her career with the court system in 1977.

Currently, Ms. Wolf serves as judicial secretary for Judge John T. Patton. In her post, she is responsible for correspondence, stenographic, and file maintenance for the judge. In addition, Ms. Wolf is responsible for circulating and releasing opinions and entering the same records into the court data system.

In her spare time, Ms. Wolf enjoys tailoring, doll making, and cake decorating. She also enjoys antiques and attending Cleveland Indian games. She and her husband, Richard, a retired Cleveland policeman, are the proud parents of Runa, Lettie, Brian, Tracy, and Angela. The Wolf family reside in North Ridgeville, OH, where they attend Shepherd of the Ridge Lutheran Church.

Mr. Špeaker, I take pride in saluting the eight individuals who have been selected to receive the Public Servants Merit Awards from the Cuyahoga County Bar Foundation and Bar Association. They have exhibited the highest level of commitment to public service and personal excellence. I also applaud these distinguished organizations for recognizing the im-

portance of honoring employees who strive to make the court system work more effectively.

THE 125TH ANNIVERSARY OF THE SAN FRANCISCO ART INSTITUTE

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 19, 1996

Ms. PELOSI. Mr. Speaker, I rise today to pay tribute to the San Francisco Art Institute as it celebrates its 125th year of contributing to the enrichment of the artistic and cultural community of the San Francisco Bay Area and the United States. The San Francisco Art Institute has excelled in training, guiding and nurturing budding artistic talent, and these talented students and artists have shared their many gifts with the Nation and the world.

Founded in 1871 by a group of artists, writers and civic leaders, the San Francisco Art Institute has become an integral part of the heritage that has made San Francisco a thriving creative arts community. First named the San Francisco Art Association, it was then and continues to be a pioneering institution with a distinct cultural vision for the West.

After World War II, the Art Institute became the west coast center of abstract expressionism, involving an impressive group of artists, including Clyfford Still, Mark Rothko and Ad Reinhardt. In 1946, renowned photographer Ansel Adams created the Nation's first fine art photography department at the Institute, which later enticed such notable instructors as Dorothea Lange, Imogen Cunningham and Edward Weston. In the 1950s, the Institute was a center for the Nation's leading figurative artists, including Richard Diebenkorn, Elmer Bischoff, David Park and James Weeks. In the 1960s, the Art Institute established the country's first fine art film program. And in 1995, keeping up with ever changing technology and new tools for creative expression, the Art Institute launched the New Imaging Center, an important new computer resource center for the visual arts.

The Art Institute offers innovative academic programs in painting, photography, printmaking, filmmaking and sculpture. One of the keys to its exceptional success as an educational institution is the Institute's emphasis on personal exploration, growth and total immersion in one's work. The roster of stellar creative talent associated with the Art Institute throughout its last century is stunning in its breadth. The sculptor of Mount Rushmore, Gutzon Borglum, was a student. Diego Rivera created a mural at the school. Enrique Chagoya, Annie Liebowitz and the Grateful Dead's Jerry Garcia are just a few more of the notable artists who have left their mark on the Art Institute and our Nation.

Mr. Speaker, on March 16, 1996, the San Francisco Art Institute will host a gala celebration of its 125 years. A city-wide arts celebration will occur this month and next, as other San Francisco museums, galleries and art spaces pay tribute to the Institute on this landmark anniversary. On behalf of the United States Congress, I salute Art Institute President Ella King Torrey and all of the great contemporary artists and teachers who have contributed throughout the years to creating and building this legacy for our Nation. Let us all

join with the San Francisco Art Institute and continue to celebrate and support the arts and their prominent place in our society for years to come.

WASHINGTON POST EDITORIAL CRITICIZES SERBIAN RESTRIC-TIONS ON THE INFORMATION MEDIA AND GOVERNMENT CLOS-ING OF THE SOROS FOUNDATION

HON. TOM LANTOS of california

IN THE HOUSE OF REPRESENTATIVES Tuesday, March 19, 1996

Mr. LANTOS. Mr. Speaker, just a few days ago, with my colleague from Nebraska, Mr. BEREUTER, In introduced House Resolution 378 deploring the recent actions by the government of Serbia restricting freedom of the press and freedom of expression and ending the legal authority of the Soros Foundation to continue its democracy-building and humanitarian activities in Serbia.

The Washington Post in an excellent editorial last week commented on the Serbian decision to close the Soros Foundation and the measures taken by the government against the independent information media. I commend this excellent editorial to my colleagues, and I ask that it be placed in the RECORD.

[From the Washington Post, Mar. 7, 1996] Shuttering Up Serbia

No task is more important in the former Yugoslavia than building a nongovernmental civil society to open up the ingrown local regimes. And in no place is this work more vital than Serbia, the dominant and pacesetting part of the broken-up country. Finally, in this activity no one plays a larger individual role than George Soros, who, as U.S. Information Agency chief Joseph Duffey puts it, does what the U.S. government would do if it had the money. In a score of formerly Community countries, the billionaire speculator runs private foundations "to enable people to do things which are not centrally determined but autonomous and spontaneous." Except not in Serbia. Not anymore.

'Even as he offered himself internationally as a man who could bring peace to Bosnia. Serbian President Slobodan Milosevic was further consolidating his power at home. He has made a special target of the local Soros Foundation, which does scholarships, summer camps and toys for children, relief for Serb refugees, medical institutions, nongovernmental organizations, the independent works. The foundation has sustained Serbia's only independent media, including the newspaper Nasa Borba and television's Studio B. But after a campaign (400 articles and broadcasts) in the official media, Serb authorities hoked up a technicality to close the foundation down. Evidently Mr. Milosevic, heading toward elections, wants no opposition, democratic or otherwise-least of all an open society.

The other day, a week after Belgrade closed out the Soros project, the State Department called on President Milosevic to "reverse the trend of anti-democratic repressive measures." The question arises, however, whether Mr. Milosevic had not taken a contrary clue from the secretary of state's failure to receive the independent sector when he buzzed through Belgrade last month.

The Serb leader seems to be carefully weighing what his—undeniably considerable—contributions to ending the war will buy him in international acceptance of his tightening at home. Others must be careful not to let him conclude he has no further need to allow space for independent local actors and foreign organizations like the Soros Foundation. This is space for civility and tolerance, values the former Yugoslavia desperately needs.

POLITICS VERSUS GROWTH?

HON. NEWT GINGRICH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 19, 1996

Mr. GINGRICH. Mr. Speaker, I commend to my colleagues the attached article from Investor's Business Daily. With economic growth of only 1.4 percent last year, the possibility of a recession still casting a shadow and the middle-class being squeezed on all sides, the situation cries out for serious action. Unfortunately, the President vetoed the Balanced Budget Act of 1995 and so far has offered nothing to address the issue of economic growth.

As the Daily points out, there is room for agreement on a capital gains tax. The President has long supported a targeted one. According to one study, such a cut would have created 1.4 million new jobs between 1995 and 1999, added an additional 1 percent a year to the stock market and brought in \$9–\$18 billion in Federal revenue. We must be prepared to respond to the under performance of the economy. Let us hope the President is ready to work out an agreement. I submit the full article into the RECORD.

[From the Investor's Business Daily]

POLITICS VS. GROWTH?

The economy grew just 1.4% after inflation last year, and recession is possible this year. Congress and President Clinton should skip the political games and move now to turn things around.

Speaking in Michigan on Monday, Clinton gave us his "growth agenda." Yet that's just a new, transparent label on his old wish list: a minimum wage hike, a tax deduction for college costs, government vouchers for worker retraining, and the Kennedy-Kassebaum health-insurance reform.

Half his points—the health bill and the wage hike—plainly have nothing to do with growth. At best, they'd be good for those who have jobs.

Education and training do boost growth in the long term. Yet Clinton has yet to show how more government sponsorship of these goals will help achieve them. It hasn't worked that way in recent decades.

Don't look to other Democrats, either. House Minority Leader Richard Gephardt recently claimed we "don't know" how to boost growth. His best guess is that favorite of Labor Secretary Robert Reich: tax penalties on corporations that downsize.

In fact, Clinton certainly knows what the economy needs, and Gephardt probably does: Tax cuts, the pro-growth move that worked for Presidents Kennedy and Reagan alike.

House Speaker Newt Gingrich is ready to play ball. "All the warning signals are there" for recession, he told reporters last week. "I think if the President really wants to help us to avoid a significant recession ... we should have a pretty substantial (budget) package in the next week or two."

Gingrich could have added. "If the President really wants to get re-elected." Clinton is riding high in the polls now, but presidents who don't deliver solid growth rarely win a second term.

To Gingrich's credit, he has put jobs above politics. If a Republican Congress and a Democratic president can agree to cut taxes, Americans may just opt for more of the same. It could give Clinton a pro-business image just when he needs it.

But what kind of tax cuts should the deal contain?

The collapse of last year's talks puts us in a whole new ball game. The GOP's \$245 billion grab-bag of tax reductions is dead.

Some Republicans want to salvage part of last year's biggest-ticket proposal, the \$500 per-child credit. That might fit their political needs, but it is more social policy than economic stimulus.

And unless Clinton and Congress can agree on large spending cuts, tax cutters will need to keep their ambitions modest. Big cuts run straight into the iron wall of the "Byrd Rule." this says tax cuts must be "paid for," and the rules for "paying" overestimate how much revenue most tax cuts would lose the government.

The bind is so constrictive, the Byrd Rule so absurd, that the GOP has been reduced to considering bringing back the airline ticket tax to pay for tax cuts.

With so little room to play in, the clear choice is the tax cut that delivers the most bang for the buck: Trimming capital-gains tax rates.

GOP leaders are said to be considering a cut in the top rate from 28% to 20% for individuals only. The relief would be retroactive to the start of this year.

Clinton has long publicly backed a least a targeted cap-gains cut. And throughout the budget battle, he has said he's open to a rate cut.

If Clinton were to quietly approve, we might get something resembling the original "Contract With America" cap-gains plan. Lehman Brothers Chief Economist Allan Sinai, no supply sider, calculated that that would have added 0.7% to the gross domestic product from 1995 to 1999.

Such a cut would have created 1.4 million new jobs over the same five years boosted the S&P 500 by more than 1% a year and put \$9 billion to 18 billion in extra revenues in federal coffers, according to Sinai.

DRI-McGraw Hill projected growth of 1.9% in productivity, \$22.7 billion in higher tax revenues and a near 12% drop in the cost of capital, cumulatively over 10 years. Thanks to organizational strength, Bob

Thanks to organizational strength, Bob Dole may pull out ahead of the GOP presidential pack over the next week. Yet the strong showing by political neophyte Steve Forbes, and the failure of Pat Buchanan's economic pitch, prove that prosperity and opportunity sell at the ballot box.

Dole needs a message—and Clinton needs growth. For the sake of the economy, let's hope they can work together to give us a cap-gains tax cut now.

UKRAINE'S COMMITMENTS TO REFORM IN THE ENERGY SECTOR

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 19, 1996

Mr. HAMILTON. I would like to bring to my colleagues' attention a letter I received from the administration concerning a commitment by Ukraine to reform its energy sector in return for United States assistance in the form of a USAID/Eximbank credit facility. In a series of communications with Mr. Richard Morningstar,

special adviser to the President and Secretary of State for United States Assistance to the NIS, I expressed my concern that United States provision of a USAID/Eximbank facility be conditioned upon Ukrainian agreement to specific reforms.

In return for a \$175 million credit facility, Ukrainian Deputy Finance Minister Shpek committed to restructure the power market. He specifically agreed to break up the power market by taking four distinct steps, as itemized in the following letter from the Department of State. The reforms agreed to by Mr. Shpek are above and beyond any existing IMF or World Bank conditionality. In my judgment, the conditions attached to this credit facility will enhance reform in the Ukraine.

The text of the letter follows:

U.S. DEPARTMENT OF STATE.

Washington, DC, February 22, 1996. Hon. LEE HAMILTON.

House of Representatives.

DEAR MR. HAMILTON: During your meeting last fall with Mr. Richard Morningstar, Special Advisor to the President and Secretary of State for U.S. Assistance to the NIS, you expressed interest in the Administration's program of encouraging reform in Ukraine's energy sector and the AID/Eximbank facility. We wanted to take the opportunity to describe the energy sector reforms to which the Government of Ukraine has committed as a condition of approval of the facility.

In two face-to-face official meetings, Mr. Morningstar has made clear to Ukrainian Deputy Prime Minister Shpek that commitment to restructure the power market is an essential condition under which we could implement the \$175 million facility. Deputy Prime Minister Shpek understood and accepted that condition and has committed to break up the state-owned power monopoly into the following parts:

Four already established, competing electricity generating companies that will be privatized; a national electricity transmission company; twenty-seven independent, joint stock local electric companies; and a competitive market for power by the end of March 1996 in which the generation companies bid to supply the local distribution companies with electricity at the lowest price.

This commitment is above and beyond any IMF conditions and any condition for any existing World Bank loan. Creation of the power market will become part of the negotiations for an upcoming World Bank loan. The AID/Eximbank credit will give the Government of Ukraine short-term funding flexibility to implement the energy market structure and will help to leverage the World Bank financing.

The AID/Eximbank facility is a special export credit insurance facility for U.S. exporters of agricultural-related goods and services to Ukraine. The purchase of refined fuel agricultural inputs-up to \$100 million of the \$175 million facility and of critical importance to the Government of Ukraine-would qualify for coverage under the program; however, the facility may not be used for broader, untied fuel purchases. We strongly believe that the commitment to the reforms outlined above justifies the inclusion of refined fuel products in the agriculture credit facility. The facility will operate according to ExIm's regulations and Eximbank will recommend whether to extend insurance coverage on a case-by-case basis. We assure you that any agricultural fuel inputs will be closely monitored and traced to agricultural use. As we go forward with this program we will be sure that it remains consistent with our broader efforts to promoting reform in Ukraine.