

³⁷Ms. Griffith's brother is still unaccounted-for as a result of his aircraft crashing. In her role as the Executive Director of the NLF, Ms. Griffith is an ardent supporter for the families of the unaccounted-for. Her knowledge of the totality of the issue is, in my opinion, second to none. Though I strongly disagree with her on many of her interpretations of the facts, I have never disputed her strong desire to fully resolve this very difficult and emotional issue.

³⁸Author of *A Bright Shining Lie*.

³⁹Ms. Smith is the daughter of a pilot still unaccounted-for at the time of my departure. She came to Vietnam to try to find the crash site of her father and to bring some type of closure to her loss. Ms. Smith was able to visit the site we had identified during past JFAs and seemed satisfied with her findings. Shortly after her visit we excavated her father's crash site (the excavation was scheduled prior to her visit, and was not a result of her visit). Excavators found what they believed to be her father's Naval Academy ring in the excavation.

⁴⁰See Annex A for a complete explanation of the Mr. Hendon live-sighting claims.

⁴¹I had worked for then BG David Bramlett in the 25th Infantry Division (Light). During most of my tenure in Vietnam, LTG Bramlett was the DCINCPAC.

⁴²Discussion led by Ambassador Marc Baas to the Asia-Pacific Regional Strategic Assessment class on 23 February 1996.

⁴³In his actual meetings with the Vietnamese, by the way, Mr. Gelbard fully supported the issue of missing Americans as the USG's highest priorities, so my concerns regarding that particular visit were possibly somewhat unwarranted. Overall, however, I think the concern was (and may still be) a valid one.

⁴⁴Oriental New Year.

⁴⁵"A Zero-Based Comprehensive Review of Cases Involving Unaccounted for Americans in Southeast Asia."

⁴⁶Personal Opinion—Mr. Hendon is a former Congressman from North Carolina. I believe that he makes unsubstantiated claims concerning the POW/MIA issue to fan the emotions of families and veterans in America. It is my opinion that he manipulates this issue to win support for election activities and to earn a living.

⁴⁷Joe L. Jordan, "National Vietnam P.O.W. Strike Force" Newsletter, June 4, 1995.

⁴⁸Ibid.

⁴⁹Joe L. Jordan, "National Vietnam P.O.W. Strike Force" Newsletter, June 9, 1995.

⁵⁰Joe L. Jordan, "National Vietnam P.O.W. Strike Force" Newsletter, June 4, 1995.

⁵¹"A Zero-Based Comprehensive Review of Cases Involving Unaccounted for Americans in Southeast Asia." p. 10.

MINIMUM WAGE

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. SAXTON, Mr. Speaker, earlier today in my remarks during the debate on increasing the minimum wage, I mentioned over 100 studies that unanimously agree that raising the minimum wage has a detrimental effect on employment. I also mentioned that the "Card-Krueger studies" are erroneous in their conclusion that raising the minimum wage increased employment in New Jersey.

This summary of the academic research—100 studies—on the minimum wage is designed to give nonspecialists a sense of just how isolated the Card-Krueger studies are. It also indicates that the minimum wage has wide-ranging negative effects that go beyond just unemployment. For example, higher minimum wages encourage employers to cut back on training, thus depriving low-wage workers of an important means of long-term advancement in return for a small increase in current income. For many workers this is a very bad tradeoff, but one for which the law provides no alternative.

Last year I placed into the RECORD the complete list of these 100 studies. If you are inter-

ested in reviewing the complete list, please refer to page E387 of the February 16, 1995, issue of the CONGRESSIONAL RECORD.

Also, for a better understanding of why I believe an increase in the minimum wage will hurt those it's intended to help, I am putting into the RECORD a Joint Economic Committee Report entitled "Raising the Minimum Wage: The Illusion of Compassion", April 1996.

RAISING THE MINIMUM WAGE: THE ILLUSION OF COMPASSION

"[B]ut as Clinton himself explained two years ago, hiking the minimum [wage] is 'the wrong way to raise the incomes of low-wage earners.'"—(Time, February 6, 1995, p. 27).

Once again, we hear the cries to raise the minimum wage. The rhetoric is familiar; "the minimum wage isn't a living wage," and "we need to ensure that work pays." However, raising the minimum wage is a misguided passion. All the valid research shows that raising the minimum wage destroys jobs. It hurts exactly those workers it intends to help—the poor, the unskilled, and the young. Everyone wants to see income growth boost the economic well-being of the working poor, but throwing many of them out of work is not the solution.

SAWING OFF THE FIRST RUNG

The major way the minimum wage hurts the poor is by cutting off the first rung of the employment ladder. Raising the minimum wage destroys jobs. This statement is incontrovertible. Economists have consistently proven the job-destroying effects of higher minimum wages. But more importantly, higher minimum wages destroy entry-level jobs. Without entry level jobs, low-skilled and young workers cannot start jobs and gain valuable work skills.

BLOCKING WORK TO WELFARE

The rhetoric of raising the minimum wage has been linked to welfare. Proponents of higher minimum wages argue that a higher minimum wage is necessary to encourage welfare recipients to enter the work force. Tragically, as the minimum wage encourages welfare recipients to search for employment, it makes it more difficult for them to find work. First, with fewer jobs available, it is more difficult for all workers to find employment. Second, a higher minimum wage makes work more attractive to many people. This expanded pool of job applicants allows employers to be more selective. Employers pick applicants with more skills from this pool. Welfare recipients suffer because there are fewer jobs and more competition. The result of higher minimum wages is to keep welfare recipients dependent on the government for a longer time.

DESTROYING HUMAN CAPITAL

It is increasingly apparent that the key to a prosperous life is education. Sadly, incomes of high-school drop-outs are failing to keep pace with the incomes of college graduates. Dropping out of high school is almost a guarantee of a difficult life. Public policy should take careful pains to encourage students to stay in school. Unfortunately, raising the minimum wage encourages high-school students to drop out. By altering the rewards to work, some students leave school for minimum wage jobs. However, without a high school degree, advancement is more difficult.

THE ARGUMENT FOR HIGHER MINIMUM WAGES: THE SANDY FOUNDATION

"Now, I've studied the arguments and the evidence for and against a minimum wage increase. I believe the weight of the evidence is that a modest increase does not cost jobs, and may even lure people back into the job market."—President Bill Clinton, State of the Union Address, Jan. 24, 1995.

The argument against raising the minimum wage has a long and noble history. Several of the most prominent economists have argued against minimum wages. Yet, the Democrats continue to argue for higher minimum wages. Labor Secretary Robert Reich and Laura D'Andrea Tyson held a press conference to laud several studies that claim that higher minimum wages have no deleterious effects on employment. The whole argument of the press conference was based on a study by Dr. David Card and Dr. Alan Krueger of Princeton University. Drs. Card and Krueger examined the differences between New Jersey, which imposes a statewide higher minimum wage, and Pennsylvania, which kept the federal minimum wage. The research, on which the Administration has based its arguments, has collapsed under its own Height.

Card and Krueger interviewed fast-food restaurants on both sides of the Delaware River. They posited that any differences between New Jersey and Pennsylvania could be explained solely by the minimum wage. What they found was that New Jersey restaurants hired more employees over the period of the study than Pennsylvania restaurants.

The results of the study were extraordinary. Card and Krueger seemed to have discovered a refutation of the law of demand. Economists were stunned. Because of the extraordinary results, they debated the results. Many economists argued that the differences between New Jersey and Pennsylvania were more than simply differences of minimum wage rates. Other economists argued that the study design was flawed.

Other economists were able to review the study using better data with devastating results for the Card-Krueger study and the Administration argument. Card and Krueger gained their data by asking one question. "How many full-time and part-time workers are employed in your restaurant, excluding managers and assistant managers?" Depending upon the answer, they interpolated employment trends. It is clear from this question that their report was deeply flawed.

First, the person answering the phone was allowed to interpret this question differently. Did they mean how many people this week, this month, this shift? Who is a part-time worker? Varying interpretations of this question allowed different answers from the same restaurant over the period of the study. The data Card and Krueger collected show incongruous results. For example, a Wendy's restaurant went from 35 employees (zero full-time, 35 part-time) to 65 employees (35 full-time, 30 part-time). Other restaurants show strange results as well.

Second, they simply divided the number of part-time employees by two and added them to the number of full-time employees. This method of estimating employment effects cannot accurately estimate the effects of higher minimum wages. Restaurant managers simply could have responded to a higher minimum by forcing employees to accept fewer hours.

The best data Card and Krueger could have obtained from these restaurants were hours worked. However, they did not obtain that data. Another set of economists, Dr. David Neumark and Dr. William Wascher, obtained the payroll data from the restaurants Card and Krueger surveyed. When Neumark and Wascher calculated the numbers, using the identical statistical methodology of Card and Krueger, they found the exact opposite of Card and Krueger. Card and Krueger found that restaurant employment in New Jersey rose, while restaurant employment in Pennsylvania fell. Neumark and Wascher found that employment in Pennsylvania rose more rapidly than employment in New Jersey. A

Presidential Commission found in 1980 that teenage employment fell one to three percent for every ten percent hike in the minimum wage. The difference between Pennsylvania and New Jersey was exactly within that range.

The Card and Krueger study has collapsed. The foundation of the Administration's argument for higher wages has fallen apart. Raising the minimum wage destroys jobs. Only by doing sloppy research can economists arrive at another answer. The Card and Krueger fiasco is an example when inadequate research is used to buttress unwise policy.

The minimum wage is an example of misguided compassion. It is a policy that hurts those it is intended to help. We have too many policies from Washington that are detrimental to America's citizens. Effective compassion requires a government that assists its citizens in acquiring the skills necessary to provide for themselves and their families. It requires a government that allows workers to keep more of their income through lower taxes. It requires a government that encourages economic growth through less government spending and less regulation. It is time to measure compassion by our efforts to minimize the number of Americans receiving federal aid—not by the amount of government largesse. Raising the minimum wage fails to live up to its promise of assisting the poor.

TRIBUTE TO KEYSTONE FUTURE FARMERS OF AMERICA

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. GILLMOR. Mr. Speaker, I rise today to recognize an outstanding student organization within my congressional district. Members of the Keystone Future Farmers of America captured fifth place in both the national poultry contest and national nursery-landscape contest held in Kansas City during the National FAA Convention last November. A total of 44 nursery-landscape State championship teams and 33 poultry State championship teams entered the competition.

In nursery-landscape the team posted 2,264 points and was edged out of the national title by Bear Creek, NC, who posted a winning score of 2,558. Individually 2 members were in the top 20 with Matt Kappan placing 18th with 779 points and Keith Diedrick scoring 771 points for 20th place. Brad Smith scored 713 points to round out the team scoring.

Members of the poultry team placed 3 members in the top 20 posting a team score of 2,409 and was edged out by national champion Latrina, TX, who scored 2,570 points. Individually, team member Julie Aldrich scored 805 points good for 15th place, Anna Pickworth scored 803 to place 16th. Any Holcomb scored 771 points and placed 36th in overall competition. A total of 176 individuals entered nursery-landscape while 132 took part in the poultry contest.

For teams to qualify for national FFA competition they must win the State contest. In the past 4 years, six teams from Keystone FFA have qualified for the national competition.

I ask my colleagues to join me in honoring the talent and hard work of these students, who under the able direction of Larry Lokai, have set the standard for FFA excellence in Ohio.

SMALL BUSINESS JOB PROTECTION ACT OF 1996

SPEECH OF

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 22, 1996

Mr. MENENDEZ. Mr. Speaker, I have been a supporter of small business but I rise in opposition to H.R. 3448, the Small Business Job Protection Act. While I support the small business provisions of the bill, I strongly object to the Ways and Means Committee not holding hearings on this bill.

I was an original cosponsor of the targeted jobs credit extension bill, which has been included in H.R. 3448, but I was disappointed when the Republican leadership chose to not accept a majority of the Ways and Means Committee's vote to strike from the bill a requirement that employer-paid education benefits be limited to undergraduate schooling. H.R. 127, a bill I sponsored, would have extended employer-provided educational assistance for graduate as well as undergraduate tuition.

These provisions of the bill will hurt businesses and workers. Thousands of workers will not be able to benefit from employer-provided educational assistance since the Republican leadership chose not to extend tax-free employer-provided tuition assistance for graduate level education.

Most of the tax cuts in this bill result from the elimination of section 936 of the Internal Revenue Code. The procedure leading to the elimination of this section is highly suspect. This is a major change in the Tax Code that will have an overwhelming effect on Puerto Rico.

The Commonwealth of Puerto Rico has not been consulted regarding the elimination of section 936. Members have not been given an opportunity to hear about the consequences of this on the Commonwealth of Puerto Rico. It is unfair to place the burden of the tax cuts this bill provides on the Commonwealth of Puerto Rico, which has no vote in Congress, and to eliminate section 936 without holding hearings on its impact. I do not agree with the precedent that has been set.

Members may not realize the adverse consequences of eliminating section 936 without providing a substitute program to stimulate job creation. Eliminating section 936 without any effective substitute will lead to job loss first in Puerto Rico, then in the United States and will finally hurt businesses in America. Without section 936, unemployment and poverty would increase dramatically in Puerto Rico. Where will workers in Puerto Rico look for jobs?

Job loss in Puerto Rico means that residents of Puerto Rico may migrate to areas like my congressional district, where the unemployment rate is already above the national average. People of Hispanic descent have strong family ties and in times of adversity their families will reach out to help them. With unemployment rates in my district over 10 percent, a major influx of unemployed workers will exacerbate a problem which is already intolerable. So you can see the unintended consequences of this legislation not only on Puerto Rico but also in New Jersey, New York, and other areas where Puerto Ricans have settled in the United States. Many Puerto

Ricans living in the States are economically disadvantaged but their generous nature compels them to try to help those who are at even greater economic peril. This doubly disadvantages the disadvantaged.

Finally, it is just bad policy for the Republican leadership to not provide an opportunity to learn about the impact of eliminating section 936 without providing any alternatives. This further disenfranchises the people of the Commonwealth of Puerto Rico while imposing an unfair financial burden on them. Whether intentional or not it is invidious that this legislation singles out an individual ethnic group.

WAITING TO HEAR FROM THE SECRETARY OF THE ARMY

HON. JOHN CONYERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 23, 1996

Mr. CONYERS. Mr. Speaker, the United States has the best intentions in Haiti but right now it is engaged in an obstruction of justice of the most egregious kind. When a multinational force restored democracy to Haiti the United States Military seized thousands of documents from the Haitian Military headquarters and from the headquarters of FRAPH, a violent paramilitary organization. Over a year and a half after they were taken, the Department of Defense still has not returned them, and the State Department is still supposedly negotiating their return. The seized documents are desperately needed today to collect information about human rights violations that took place while the elected president, Jean-Bertrand Aristide was in forced exile.

On December 1, 40 Members of Congress wrote the following letter to President Clinton, calling for the release of the documents:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, December 1, 1995.

President WILLIAM JEFFERSON CLINTON,
The White House.

DEAR MR. PRESIDENT: Just over a year ago, we celebrated the restoration of democracy to Haiti with the return of its duly elected President, Jean-Bertrand Aristide. Your role as president was crucial to this occurring. The re-establishment of the legitimate government of Haiti followed three years of a murderous military regime. Recent press accounts have discussed how the Pentagon is now holding tens of thousands of pages of documents taken during the restoration of government, and has yet to return them. We seek a complete account of all documents and their immediate return to the Haitian government. This is not only normal and appropriate, but expected in the relations between the two friendly nations. The documents should include any and all that may pertain to the Central Intelligence Agency, the Defense Intelligence Agency, or any other part of the United States Government.

There is absolutely no justification why these materials should be in the hands of our government now that the legitimate government of Haiti has been restored. The fact that these documents have been withheld obviously raises questions about the level of collaboration between elements of the American government and the former military regime.

These documents are necessary to the government of Haiti if it is to make sense of