

Well, I am going to do today what one of the ex-mayors of New York used to do. Mayor LaGuardia used to read the newspaper to people, and I think it is time to start reading the newspaper to people, because one of these incoming missiles against affirmative action came in the form of a vote by the University of California regents. That distinguished panel voted aggressively to back off of affirmative action. To end affirmative action as we know it, and now we know why that group wanted to.

They believe in the old Beatles song, "You get by with a little help from your friends." Remember that? "I get by with a little help from my friends." Well, this is what they are all singing.

This Saturday's Los Angeles Times did a wonderful job of exposing these regents, who are so pure and want a level playing field and all of this other stuff that you have heard about affirmative action. And what you really find as you read this newspaper, which is absolutely fascinating, because they go further and document all of the politicians, from Governor Pete Wilson, who led the antiaffirmative action charge in his now historic run for President, and he is no longer there, but from Governor Pete Wilson to many of the regents who voted for this, all the different people that they insisted that the University of California put at the front of the line, even though their grades happened to be lower than many others that they shut the door on because of this, their scores turned out to be lower. It is very interesting reading, and I hope people will look at this.

When some of these young students who got moved to the front of the line because their dad or mom knew the regent or they were business associates or whatever, when they would interview some of these young students, some them said very clearly, "But, of course, that is what is going on. This is America. It is who you know, not what you know."

Now, most minorities and women knew that. They knew that if they did not know somebody big, they were not going to get in. Actually some of them, they did not even need bother apply, because they were not going to get through the barrier. People could not look beyond their skin color, religion or sex.

So we are working hard to try and have a wakeup call to people, to say look, affirmative action is not perfect, but we ought to fix it, and we ought to be working on what you know, not who you know. But when you look at these regents, it is so clear by this record that special privilege is something that they want to continue. They want to continue with it, and they see affirmative action challenging that.

One of the regents who aggressively, aggressively fought affirmative action, was a man named Leo Kolligan. Now, this guy got in over 35 different young people, according to the L.A. Times, that were not as qualified. One score

was lower than 6,000 other young people who were turned away, but he got in. It is who you know, not what you know.

When you look at all of the others, they all happen to be sons and daughters of very prominent folks in the community that these different regents knew, or relatives, it is amazing how thick blood can run, or prominent politicians or relatives of prominent politicians or large fund raisers or whatever.

But that is not what we have said the American dream is about. So as you listen to this raging debate about affirmative action, we really ought to put it into some kind of context. What we really want to make sure is that the dream is attainable for everyone, no matter what their background, and it is really honest-to-goodness attainable. And if we go back to this who you know, it is not. You cannot say it is one thing, and then have it operating in an entirely different way.

The young people of America know that, and they know how fraudulent it is. You have so many students protesting in California on the campuses on this. I hope everybody pays serious attention to this, and we do not get caught up in undoing something so important.

GOOD NEWS AND BAD NEWS ON THE BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Michigan [Mr. SMITH] is recognized during morning business for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, there is good news and bad news in the President's budget that we received today. Let me go with some of the bad news first. Some of the bad news is that he has greater tax increases and that he has more spending for the Federal Government. In other words, some of the same old policy of tax and spend. In fact, on taxes, even though he has a temporary tax cut, the tax cut is done away with by the year 2002, and he has actually a tax increase of over \$10 billion by the time he gets to 2002.

Now, I think that old tax and spend and borrow philosophy is the bad news. Here is the good news. It is the Republicans, by hanging tough, have now changed the frame of the debate in Washington, so the President's budget still says through their figuring that this budget balances by the year 2002. And that is good news.

Let me point out why I think it is such good news. It is because borrowing has obscured the true size of Federal Government. If the American people had to pay the taxes that are required for this huge overbloated, over-regulating Government that we have now, they would not stand for it. They would say, "Wait a minute. Get rid of that fraud and abuse. Get rid of some of these programs, because we do not like you talking 50 percent of every dollar we earn for taxes at the local, State, and national level."

Let me display this chart a little bit that shows the pie of the way we divide up Federal expenditures. Now, for this current fiscal year, it is a little over \$1.5 trillion. The blue portion of this pie that now represents about 50 percent of total government spending is in the so-called welfare entitlement spending. That means if you achieve a certain criteria of age or poverty, the money is automatically going to be there. The Congress does not appropriate that money every year. The only way we can reduce the cost of these welfare entitlement programs is having the President sign a bill, or override his veto.

So if we are going to achieve a balanced budget, that means that we are going to have to achieve some changes in the welfare and entitlement programs. Some of the welfare recipients are going to have to start working. Our welfare programs have been successful in transferring wealth, but, too often in the process, we have taken away their self-respect. We have taken away their drive to get up every morning, even when they do not feel like it, and go to work and contribute to the economy of the United States. So they have been recipients of other taxpayer spending.

That has to be changed. We have sent one bill to the President. He has vetoed it. We sent another welfare reform bill to the President, and he has vetoed it. What we have got to start doing is having cooperation, or the kind of a President that is going to say yes, some of these changes need to be made.

Let me just briefly go around the rest of this pie chart. We have got interest on the Federal debt. The Federal debt is now about \$5 trillion. That interest is also on automatic pilot. We have got the defense in green. The defense programs now, even the hawks and the doves, the Republicans and Democrats, the liberals and conservatives, only disagree on about plus or minus 8 percent deviation. In other words, everybody agrees we need a certain amount of defense in this country, so there is very little flexibility.

What is left? What is left for Congress, what they have control of, is the 12 appropriation bills that represent the discretionary spending outside of defense.

In this little red pie chart area, we have been successful in the last 14 months of cutting \$40 billion out of spending. That is a good start. And the reason we have accomplished this, the reason the President and the Democrats and the liberals are now at least saying we need a balanced budget, is because we have changed the frame of the debate by saying look, we are not going to pass this kind of increase. Even if you veto it, Mr. President, even if you shut down Government. And are not going to give you a clean debt ceiling increase, because we are concerned with the debt of this country going over \$5 trillion, unless we make some of those changes.

Here is my point, Mr. Speaker: If we continue to stick to our guns, if we continue to hang tough, using the leverage that we have of increasing the debt limit, of being very frugal in the appropriation bills that we pass, we can achieve it. We can do it. It is not this overspending and overborrowing. Borrowing has obscured the true size of Government. It needs to be changed. Let us hang tough, let us stick in there, let us do it.

UNITED STATES-TAIWAN-CHINA RELATIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Guam [Mr. UNDERWOOD] is recognized during morning business for 5 minutes.

Mr. UNDERWOOD. Mr. Speaker, today the House will take up later on House Concurrent Resolution 148, a concurrent resolution expressing the sense of Congress that the United States is committed to the military stability of the Taiwan Straits and to the defense of Taiwan against invasion, missile attacks, or blockade by the People's Republic of China. The House's consideration of this resolution is timely. It coincides with meetings today between United States and Taiwanese officials to discuss Taiwan's defense needs and possible United States weapons sales in a regularly scheduled annual consultation.

Consideration of this resolution also comes at a time of increased military maneuvers by the People's Republic. Over the past few months, China has conducted missile tests off the coast of Taiwan, including missile firings which have landed adjacent to Taiwanese major ports and live ammunition fire operations in the Straits.

Yesterday China upped the ante by declaring that they will go forward with planned war games around islands it controls and ordered residents to evacuate. The PRC also announced a new series of exercises in a large part of the Taiwan Straits and has warned international shipping and aviation to stay away from the region.

The reason for the PRC's escalation is clear: It is an orchestrated campaign to intimidate Taiwanese voters and to influence the outcome of Taiwan's first direct Presidential elections this coming Saturday. The resolution under consideration today rejects this type of coercion and supports the historic democratic election in Taiwan this weekend. It reinforces the Clinton administration's support for democracy and stability in the region and peaceful resolution of the current dispute.

As the Member of Congress whose district is closest to this conflict and directly impacted by the outcome, I am mindful of its implications for Guam. While some have argued that my islands could benefit by some of this instability, I reject this line of thinking. Even though some short-term economic gain may result from

capital diverted from the region to Guam, our long-term economic growth will suffer without economic prosperity in Pacific Rim and Pacific Basin nations and territories.

Guam's economy is tourist driven, roughly 1 million of whom arrive from the Asia Pacific region. Tourist arrivals have increased over 180 percent in 10 years, with Korea and Taiwan recently leading the way as the fastest growing visitor markets. Increasingly our economy also depends on investment from Japan, Taiwan, the Philippines and South Korea. A blockade, invasion or missile attack on Taiwan would not only affect Taiwan, but also the United States and the rest of the region.

Economic growth throughout the United States would be jeopardized if the flow of exports to the region is disrupted in any way. Over 40 percent of all United States trade involves the Asia-Pacific region. U.S. trade in the region now exceeds \$370 billion, which is 76 percent greater than U.S. trade with Europe. An estimated 2.6 million American jobs depend on United States exports to Asia.

Taiwan has become a major trading partner of the United States and all the major economies in the region. Taiwanese two-way trade with the United States is roughly \$43 billion. Furthermore, United States, Japan, and Hong Kong account for more than 60 percent of Taiwanese exports. We can only imagine what would happen if the 19th largest economy in the world was cut off from the rest of the world by an invasion, blockade or missile attack. When the peso collapsed in Mexico last year, shock waves went throughout economies and stock markets as far away as Asia. A disruption of trade in and out of Taiwan could have even greater consequences.

Over the past 50 years, U.S. engagement in Asia and the Pacific has ensured a stable political and military environment and made possible the tremendous economic growth in the Pacific region. We should welcome the Clinton administration's dispatch of the *Nimitz* and the *Independence*. It sends Beijing a strong signal that the United States is committed to regional stability and economic growth. The resolution before the House only strengthens this commitment.

It is my hope that when the current dispute is resolved, Congress and the administration and the American people will wake up to a very new geopolitical reality. The Asia-Pacific region has become the most dynamic region in the world, and all major indicators point to the Asia-Pacific region as the most vibrant region in the next century. The region is home to the seven largest armies in the world, the largest population, and the greatest volume of trade.

Let us not turn our back on Taiwan. Let us support them, and let us support the resolution.

SUPPORT THE TRAVEL AND TOURISM PARTNERSHIP ACT

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Wisconsin [Mr. ROTH] is recognized during morning business for 5 minutes.

Mr. ROTH. Mr. Speaker, I rise today to urge support for the travel and tourism industry; that is, the Travel and Tourism Partnership Act. Travel and tourism is America's and the world's largest industry, or it will be in 4 years. Today, travel and tourism employs some 7 million people directly, and some 6.5 million people indirectly in the United States.

In the next 2 months, before the Travel and Tourism Administration closes down at the Commerce Department, I encourage my colleagues to focus on this industry and the jobs it creates, what it does to keep our taxes lower for all Americans, and what it is doing for America as far as our economy is concerned.

The travel and tourism industry is one that has been neglected too long by this Congress. Mr. Speaker, Members debate frequently here on the floor on what we can do to promote good paying jobs, to keep our economy strong, how to revitalize our cities, and how to create the opportunities that our young people need and how to rejuvenate our local economies. The question always comes down to what can we do as a Congress to create more jobs?

One of the problems, of course, in the inner cities, is that businesses are closing down, opportunities have been lost, and neighbors are packing up and moving away. But today it is not only a problem for inner cities, it is also a problem for small towns.

In rural communities all across America where farms and industries once supported a main street bustling with restaurants, hardware stores, five-and-dimes, grocery stores, service stations, hotels, you name it, some of these small towns have been very hard hit.

But what has kept our hometowns and small towns from fading away in America has been one industry; it has been the travel and tourism industry. The travel and tourism industry many times has kept alive our small towns, our rural towns.

Tourism is today America's second largest employer. When we help tourism, it is like starting a downtown revitalization project or helping a small town anywhere in America.

With less than 2 months to go before the USTTA shuts its doors forever, it is time for Members to do two things, and I think it is imperative for us to do that: One is to recognize the vital role that tourism plays in our districts, and to commit becoming a new catalyst for further growth by helping travel and tourism.

We have a bill before Congress that is an outgrowth of the travel and tourism