

BLAIR SCOLDS BRITISH "WORKLESS CLASS" IN OUTLINE OF WELFARE PLAN

HON. JAMES A. LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1997

Mr. LEACH. Mr. Speaker, I urge my colleagues to read excerpts from the attached article from the June 3, 1997, edition of the New York Times. The article recounts a recent speech given by British Prime Minister Tony Blair regarding what he describes as a culture of dependency on government. In the speech, given outside a notoriously neglected housing project in South London, Prime Minister Blair called for an "ethic of mutual responsibility," where government institutions are re-fashioned.

During the House's consideration of H.R. 2, the Housing Opportunity and Responsibility Act of 1997, I urged my colleagues from the other side of the aisle to abandon the policies of extreme liberalism and consider the recent electoral success of the new, pragmatic Labor Party in Britain. Many of the concepts expressed by Prime Minister Blair in his speech are surprisingly similar to the ideals contained in the House's public housing reform bill. Much like Prime Minister Blair's "New Labor" philosophies, H.R. 2 creates a mutuality of obligation between public housing residents and the Federal Government. The approach contained in the House bill is intended to help end the cycle of property, where generation follows generation in an environment devoid of hope and opportunity, and instead encourage self-sufficiency and the process of moving people from welfare to work.

In anticipation of House consideration of the conference report on the House and Senate housing bills later this year, I commend the attached article to Members' attention.

[From the New York Times, June 3, 1997]

BLAIR SCOLDS BRITISH "WORKLESS CLASS" IN OUTLINE OF WELFARE PLAN

(By Sarah Lyall)

LONDON.—Appearing at a notoriously neglected housing project in South London, Prime Minister Tony Blair today denounced the culture of dependency on government that he said had created a "workless class" of people who live off the state and have no motivation to find jobs.

Mr. Blair, who has resolutely moved his party away from its old working-class roots and remodeled it as a centrist movement that he calls "New Labor," said one of the cornerstones of his Government would be getting people off welfare and putting them back to work.

In doing so, he called for a "radical shift in our values and attitudes" and said that the welfare state, long associated with the old Labor Party, had to change along with the times.

"Earlier this century, leaders faced the challenge of creating a welfare state that could provide security for the new working class," he said. "Today the greatest challenge for any democratic government is to refashion our institutions to bring this new workless class back into society and into useful work."

*** The Prime Minister's speech came as his Labor Government, which swept into power with an overwhelming majority a month ago, prepares a major overhaul of the country's welfare system. In its review, Mr.

Blair said, the Government would ask a simple question about all of Britain's benefits: "Do they give people a chance to work? Or do they trap them on benefits for the most productive years of their lives?"

*** But Mr. Blair warned that young people would have responsibilities of their own. "There will be and should be no option of an inactive life on benefit," he said. "Where opportunities are given, for example, to young people, for real jobs and skills, there should be a reciprocal duty to take them up."

Mr. Blair called for an "ethic of mutual responsibility" in Britain. "It is something for something," he said. "A society where we play by the rules. You only take out if you put in. That's the bargain."

*** Mr. Blair said: "In the 1960's, people thought Government was always the solution. In the 1980's people said Government was the problem. In the 1990's, we know that we cannot solve the problems of the workless class without Government, but that Government itself must change if it is to be part of the solution."

CHINA-RELATED CHALLENGES

HON. TILLIE K. FOWLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1997

Mrs. FOWLER. Mr. Speaker, although China policy is in the news right now, most Americans remain unaware of one of the most serious China-related challenges our nation faces—the Clinton administration's dramatic loosening of export controls on sensitive militarily-related technology. Much of that technology is going to the People's Republic of China, which could spell trouble for our national security and interests abroad.

The Clinton policy has resulted in the transfer to the Chinese of devices and technology ranging from telecommunications equipment that is impervious to eavesdropping, to highly sophisticated machine tools needed to build fighter aircraft, strategic bombers and cruise missiles. The policy has also resulted in the decontrol of high-speed supercomputers, leading to the sale of 46 of them to the PRC over the last 15 months, as revealed in a recent congressional hearing.

The United States should remain engaged with China, which is an emerging superpower. However, we must not forget that it is a Communist country that has undertaken a large-scale defense buildup with the clear intent of increasing its ability to project military power. The U.S. should not be contributing to that goal. As I said yesterday during the debate on MFN, free trade is something to be desired, but commerce at all costs is not—especially when it provides a more level battlefield, which no American wants.

I would like to request that two items be included in the RECORD following my remarks: first, an article detailing the history and details of the current policy of decontrol—and its many flaws—which recently appeared in the independent newspaper Heterodoxy; and second, the text of a resolution passed by the Board of Directors of the Jewish Institute for National Security Affairs [JINSA] regarding the sale or transfer of supercomputers.

[From the Heterodoxy, April/May, 1997]

CLINTON AND THE AMERICAN EXPERIENCE IN CHINA—ARMING THE ENEMY

(By Dr. Stephen Bryen and Michael Ledeen)

At the end of the Cold War, the U.S. towered over the world, the sole surviving superpower, the source of inspiration for a global democratic revolution that had destroyed tyrannies ranging from Spain and Portugal in the '70s, to virtually all of Latin America and then Central and Eastern Europe in the '80s culminating in the fall of the Soviet Empire itself. Washington became the Mecca of a new democratic faith, and the prophets and followers of democracy, from Havel and Walesa to Pope John Paul II and Nelson Mandela, came in a sort of democratic hajj to pay reverent tribute. They all went to Congress and gave thanks to America for having made it all possible, and continued to the White House to pay their respects.

Any other nation in such a position would have extended its dominion over others, and many nations in the rest of the world fully expected us to do just that. They were stunned to learn that America was not interested in greater dominion. Indeed, America was barely interested in them at all. Having won the third world war of the twentieth century, we were about to repeat the same error we had made after the first two: withdraw from the world as quickly as we could, bring the boys home, cut back on military power, and worry about our own problems. Americans are the first people in the history of the world to believe that peace is the normal condition of mankind, and our leaders were eager to return to "normal." And they were encouraged to define this word in a way that included truckling to China and helping it emerge as a major threat to U.S. interests.

Thus was born a policy of criminal irresponsibility, a policy that has not only failed to protect us and our allies against the inevitable rise of new enemies, but actually facilitated, indeed even encouraged, the emergence of new military threats. It began with George Bush, Jim Baker, Brent Scowcroft, and Dick Cheney and continued at a far more rapid rate with Bill Clinton, Warren Christopher, Ron Brown, William Perry, and Anthony Lake. All of them have helped dismantle the philosophy and apparatus created by Ronald Reagan and his team—most notably Defense Secretary Caspar Weinberger—to defeat the Soviet Union by denying it access to advanced technology and thus protect American military superiority for years to come. To understand our current plight with China, it is necessary to understand what we unilaterally dismantled under Bush and Clinton.

It is widely believed that the fall of the Soviet Empire was a great "implosion" produced by the failure of the Soviet economic system and the visionary policies of Mikhail Gorbachev. This is the leftwing view of recent events, a view intended to deny credit to democracy and America in forcing the outcomes. Western policies are rarely credited with a key role in this drama, but in fact they were the crucial ingredients. The Soviet economic system, for example, had failed long ago. In fact, it had failed from the very beginning, as each disastrous "plan" was replaced with another. Russia was the world's greatest grain exporter before World War I, and half a century later had become the world's greatest grain importer. That is not an easy accomplishment, and testifies to the shambles created by the Communist regime.

Things were not much better in the industrial complex, even the vaunted military sector. The Soviets were rarely able to design and manufacture advanced technologies on their own. Without exception, when the Soviets needed to modernize an assembly line,

they went back to the original source and asked the Western company to build them a new one. They were especially dependent on Western technology in areas like electronics, computers, and advanced machine tools. This gave the West a great opportunity to get a stranglehold on Soviet military technology, and, under Reagan, the opportunity was exploited. An international organization Combat Command (COCOM) was created to control the flow of military useful technology from West to East. A list of dangerous technologies was agreed upon, and all members of COCOM undertook to embargo all of them for sale to the Soviets, or to any country willing to resell to the Soviet Union or its allies. Unanimous agreement was required for any exception.

Despite predictions that such a system could not possibly work, it proved to be devastating, as shown by the behavior of Gorbachev himself. Hardly a week went by without Gorbachev or Shevardnadze or other Soviet leaders begging the West to treat the USSR like a "normal" country, and thus dismantle COCOM. Their cries of pain were fully justified, for the gap between Soviet and Western military technology grew relentlessly during the Reagan years. So much so that when the Soviet crisis arrived, the Kremlin could not even dream of solving it by a successful military action against us.

It does not require an advanced degree in international relations to understand the great value of such a system of export controls in a hostile world, and it should have been maintained after the Cold War, especially if we were going to dramatically reduce our research and development of new weapons systems and technologies to upgrade existing systems. The one thing we should not have wanted was to see potential enemies acquiring the very technologies that had given us such great military superiority. And of all the countries we should have worried about, China was Number One, with Iran a distant second.

There were, and are, two main reasons to think long and hard about China. The first is size: China has the world's largest population, and can therefore put into the field the largest army. And the likelihood of conflict with China stems from reason number two for thinking long and hard about this threat: China is the last major Communist dictatorship, and the history of the twentieth century is one of repeated aggression by dictators. Simple prudence dictated that, until and unless China joined the society of democratic nations, we should have tried to maintain a decisive military advantage. Call it deterrence.

Instead, for reasons that will intrigue the psychohistorians for many years to come, we have not only bent over backwards to be generous to Coins (our enormous trade deficit leaves no doubt about our largesse), but we have been busily arming the People's Republic so that it can give us grief.

For China to effectively project power in the future, it would have to get the technologies for its army that the U.S. used to rout the Iraqi forces—actually superior to China's in many regards—during Desert Storm. But from where?

China has four main sources of supply. The most prominent in Russia. Russia has been able to offer China important help in aerospace, missiles, and submarine technology. China has bought Surkhoi fighter aircraft and Kilo-class diesel submarines from Russia, and the Russians have provided assistance to many other Chinese Army projects. But the Russian connection is only a stopgap for China, not a solution, because, while Russian technology is, in most cases, better than China's, it is not the equal of the United States. Russian military systems have

well-known weaknesses: poor reliability, mediocre performance, and outdated technology. Russian arms lack the electronics found in American systems; the computers are more than one generation behind, and the radars and "com" links are old-fashioned. The Chinese now all too well how easily American stealth and smart bombs overwhelmed what the Russians supplied Iraq. In need of a "quick fix" to be able to bully its neighbors, China has been taking the Russian technology, but it needs much more.

A second source of armaments and military technology is Western Europe. European weapons are better than Russian, and come close to American standards. But European systems are frightfully expensive, and, for extras, the Europeans have generally been unwilling to sell the manufacturing technology for weapons. They want to sell the systems, and then supply the spare parts in the future. The Chinese want their own manufacturing capacity. Like any country preparing seriously for war, China doesn't want to be dependent on others for weapons.

A third source is Israel. Israel has been willing to sell arms and arms technology to China, and has done so for a number of years. Starting with air-to-air missile technology, Israel appears to have sold Lavi 3rd-generation fighter aircraft technology to China and its now trying to get the Chinese to buy an Israeli version of the advanced early warning radar aircraft. AWACS, which played such a big role in the Gulf war by providing early warning and vectoring allied aircraft against Iraqi planes, operating at stand-off ranges in excess of one hundred miles.

But Israel's assistance to China is limited in a number of ways. Because China sells arms to Iran and Iraq, and has sold missiles to Saudi Arabia and Syria, Israel has to exercise extreme caution about what it sells to China. The Chinese suspect—and they are surely right—that Israel is not going to sell China a system that Israelis cannot defeat.

Another difficulty for China buying from Israel is that Israel is not a one-stop solution. The Lavi is a good example. The Lavi is a modern, lightweight, single-engine, high-performance fighter plane with an advanced engine, composite structures, advanced computers and electronics, ECM pods, and missile and weapons launch capabilities. But China wants to manufacture the aircraft, and many of the parts come from the U.S. and were provided to Israel under carefully controlled munitions export licenses. In most cases the manufacturing knowhow was not even released to Israel, and other valuable design and manufacturing secrets were also withheld. The engine is an even graver problem: the only two sources for a suitable Lavi engine are American companies, Pratt & Whitney and General Electric. There is no other engine with the performance and weight to match it. While some have suggested the Russians could soon give the Chinese an acceptable engine, none has yet appeared. The U.S. engines are a generation ahead of anything the Russians have. So the Chinese have been able to acquire some of the technology from Israel. But to get the rest they need the United States.

It is often said that, in the world of advanced technology, embargoes or export controls cannot possibly work, because if they don't get it from us, they'll get it from somebody else. This is false. To compete with the U.S. militarily, China has to get our technology, and, most of the time, that means getting it directly from us.

It's easy to understand why the Chinese want our technology, it's far more difficult to comprehend why the American government would let them get it. We know that the Chinese routinely sell advanced weapons to "rogue nations" that rank among our

worst enemies; Iraq, Iran, Syria, and Libya. We know China is a totalitarian regime. And we know that the stronger China becomes the easier it will be for Peking to maintain its evil regime.

There are some extraordinary cases in which it might make sense to sell a limited amount of advanced military technology to China, but there aren't many of them. (It might make sense to sell them devices for nuclear safety, or for certain military systems with important civilian applications—satellite launchers, for example.) But that is not what is going on. The American government is allowing massive sales of highly advanced military technology to China, and the policy has reached dimensions and achieved a momentum that make clear that we are not doing so on a limited, special-case basis. It is a deliberate policy that appears to have full approval from the highest levels of the Clinton Administration, despite strong objections from government agencies or from individual officials outraged at what is happening. The Clinton Administration has not done this openly and honestly, by going to Congress and asking for a change in legislation. It has, for the most part, acted secretly, resorting to clever bureaucratic maneuver. Take the case of the aircraft engines for the Lavi, for example.

Powerful aircraft engines contain special technology that greatly enhances their thrust, and this technology has long been on the so-called "Munitions List" of goods and services that would endanger American security if they were sold to hostile or potentially hostile countries. It is illegal to sell anything on that list to anyone, anywhere, without formal approval from the State Department, which in practice almost always clears its decisions with the military services. Moreover, hard on the heels of the Tiananmen Massacre in Peking, Congress passed laws forbidding the sale of anything on the list to China, unless the president felt it so important that he were willing to issue a formal waiver. In the eight years since Tiananmen, this has happened just once, when a waiver was issued for technology having to do with the launch of commercial satellites on the Long March rocket (a military rocket).

The administration was unwilling to openly issue any other waivers, knowing there would be a political firestorm. So Clinton and his people did it slyly, by taking the engine technology off the Munitions List and shifting control from State to Commerce, where the president's buddy Ron Brown held court. Within days, Commerce issued licenses permitting U.S. engine producers to sell the technology to China. And since the sales have the explicit approval of the government, we can be sure that American corporations will do everything they can to help set up the manufacturing facilities. The result of all this maneuvering is that China will soon have the world's finest engines in its fighter aircraft.

The story is repeated elsewhere. Supercomputers, for instance, are the crown jewels of computers, and are in use at some of our best national laboratories such as Lawrence Livermore, Sandia, and Los Alamos. The U.S. National Security Agency uses supercomputers to keep track of our adversaries. The Defense Department, and leading defense contractors, use supercomputers to develop stealth technology and simulate testing of precision guided weapons, advanced weapons platforms, and delivery systems.

Only two countries, the United States and Japan, build competent supercomputers. And both countries, recognizing that the random sale of supercomputers would constitute a grave risk to Western security, agreed in 1986

to cooperate and coordinate sales of supercomputers. This agreement made it impossible to sell supercomputers to China. But that was then, and this is now, and Clinton & Co. have sabotaged any effective control over supercomputer sales to China.

The first move was to change the definition of supercomputers. In the Bush administration, it was generally agreed that a computer with a speed of 195 million theoretical operations per second (MTOPS) was a "supercomputer," and therefore strategic. Two years later, the Clinton administration lifted the ceiling to 2,000 MTOPS. This tenfold increase wasn't nearly enough, though, and shortly thereafter the administration unilaterally renounced the existing regulatory controls, such that China could get supercomputers up to 7,000 MTOPS. This drastic move provoked violent protests from many of our allies, including several that did not even manufacture such computers, and hence had no commercial interest in the matter. We thumbed our nose at them.

But even this was not enough, because it would still have been possible for the Department of Defense to oppose supercomputer sales to China on strategic grounds. The solution was to redefine the computers for "civilian use," and within the past 15 months, U.S. companies including IBM, Convex (later, Hewlett Packard), and Silicon Graphics (and perhaps others) have sold the Chinese at least 46 supercomputers, many of them going into China's defense industry, or being put to use in nuclear weapons design.

This represents a truly terrifying hemorrhage, for supercomputers are the central nervous system of modern warfare. The sales of 46 supercomputers give the Chinese more of these crucial devices than are in use in the Pentagon, the military services, and the intelligence community combined. They enable the Chinese to more rapidly design state-of-the-art weapons, add stealth capability to their missiles and aircraft, improve their anti-submarine warfare technology, and dramatically enhance their ability to design and build smaller nuclear weapons suitable for cruise missiles. Thanks to the folly of the Clinton Administration, the Chinese can now conduct tests of nuclear weapons, conventional explosives, and chemical and biological weapons by simulating them on supercomputers. Not only can they now make better weapons of mass destruction, but they can do a lot of the work secretly, thus threatening us with an additional element of surprise.

Finally, since supercomputers are the key to encryption, we have now made it easier for the People's Republic to crack commercial and, perhaps, even government secret codes.

There are many other areas where the American public has been told almost nothing about our arming of China, and reports indicating major problems with the Chinese have been suppressed or buried. In the past two years, for example, the Customs Department has interdicted 15 shipments of military parts going from the United States to China. Some of these were parts from our latest air-to-air missiles and from fighter aircraft like the F-15. These parts were "scrapped" by the U.S. military, but were never demilitarized. At much less than a penny on the dollar, Chinese agents were buying the parts and shipping them back to China. Customs acted in the belief that the sales were illegal, yet not a single charge has been filed against the exporters.

Worse still, China has been buying up whole defense factories in the United States, and the administration, fully aware of what is going on (in fact, the Defense Intelligence Agency has sent some of its top Washington experts to witness some of these transactions), let it happen.

As America downsizes its defense programs, many defense factories are being shut down. Some produced state-of-the-art fighter aircraft for the Air Force and Navy. Others were involved in building intercontinental ballistic missiles. Still others were developing advanced electronics. One building at a Defense site contained sophisticated spectrometers, clean rooms, special plasma furnaces and lasers, and special measurement antennas operating at very high radar frequencies. It was a laboratory for testing "stealth" technology, and everything in it was sold, for a pittance, to the Chinese. So we have not only guaranteed that the Chinese will have superb fighter planes, we have ensured that we won't be able to "see" them in combat.

Defense factories being "decommissioned" have provided a bonanza for the PRC. For example, a multi-axis machine tool profiler (measuring hundreds of feet long), designed to build main wing spans for the F-14 fighter plane, which originally cost over \$3 million, was gobbled up by the Chinese—for under \$25,000. There is more: Global Positioning System manufacturing know-how, which will make Chinese cruise missiles uncannily accurate, was licensed for sale by the administration, as were small jet engines for a "training aircraft" that doesn't exist. The Chinese are working to copy those jet engines to modernize their Silkworm cruise missiles, and substantially extend their range and payload.

There are so many scandals swirling around Washington these days that it is difficult to get anyone to pay attention to another one. Yet the policy of arming China involves more than punishing people who stole from the public trough, or lied to Congress, or destroyed the lives of innocent public servants. This criminality could threaten the lives of our children in years to come by forcing them to fight the largest army in the world, equipped with the finest weapons American technology could design.

A great deal of the damage done to our security by the Clinton Administration—and to a lesser degree by the Bush Administration before—is irreversible, and ultimately we will undoubtedly have to spend a lot of money and effort to ensure that we have military technology even better than what we've given the Chinese. But it is long past time for Congressional leaders to stop the hemorrhage. Export controls must be enforced; the Munitions List must be tightened; we must once again try to piece together workable agreements with our allies. Above all, our politicians have to start earning their money. Is there not a single committee in the House and Senate capable of holding hearings on this madness? Is there not a single "news" organization that judges this scandal worthy of daily coverage? Or must we wait for another Pearl Harbor?

—

JINSA BOARD OF DIRECTORS RESOLUTION:
SUPERCOMPUTERS AND U.S. EXPORT CONTROL POLICY

U.S. policy regarding the sale or transfer of supercomputers is a sensitive national security issue which may ultimately help to determine which countries are able to develop nuclear capabilities and which are stymied in their attempt.

In 1986, the U.S. Japan Supercomputer Agreement set up a system whereby the two major producers of supercomputers agreed to carefully monitor and regulate sales to third countries. This cooperation demonstrated that two highly competitive countries could work out an effective means to regulate trade in this sensitive equipment, and take it out of the realm of "national discretion."

The Agreement was primarily to guard against nuclear proliferation in non-com-

munist countries. (COCOM, the Paris-based Coordinating Committee on Export Controls was controlling sensitive exports to the communist countries.) However, in 1993, after the demise of COCOM, the U.S. massively liberalized its controls on supercomputers without consulting Japan. For the most part, the Clinton administration has decided that only a very limited subset of supercomputers would qualify as strategic. And even those are under a weak control system that cannot effectively safeguard against the transfer of these machines to third countries.

Some argue that supercomputers are not strategic systems, noting that many of America's nuclear weapons and delivery systems such as ballistic missiles and long-range bombers were built on computers whose performance is inferior to the supercomputers of today. But, America needs supercomputers to design the next generation of defense systems, reduce costs and improve performance ensuring our strategic security. Furthermore, supercomputers make it possible to do effective design engineering with less risk taking, and less expensive and dangerous testing to increase the safety of nuclear weapons and other systems including ballistic missiles and smart weapons. Therefore, their acquisition by hostile countries would vastly enhance the capabilities of those countries.

The landmark government study on nuclear weapons design concluded that, "The use of high-speed computers and mathematical models to simulate complex physical process has been and continues to be the cornerstone of the nuclear weapons design program [of the United States]." The study also considered the "efficiency" of the process. With supercomputers, a new nuclear weapons design or concept involves exponentially fewer explosive tests. For example, in 1955 a new concept would require 180 tests; in 1986 the number of tests required was reduced to 5. As even more powerful machines are available today, it is highly probable that the number of tests may be reduced even further, or testing altogether eliminated.

This means that a country that gets supercomputers can develop nuclear weapons covertly, and have plausible deniability if challenged. It means that we may totally misjudge the capabilities of a hostile country or potential adversary, as we did in the case of Iraq. It also means that the cost of developing nuclear weapons can be significantly reduced if supercomputers are available. This is important because many countries lack both the requisite technical experts and the infrastructure to develop nuclear weapons.

For Russia and China the acquisition of supercomputers is of great importance in allowing them to develop a viable nuclear strike capability. Russia has been seeking supercomputers for more than two decades after the investment of billions of rubles trying to design their own supercomputers resulted in failure. Consequently, the Soviet government and then the Russian government sought to get such machines from the West, and pressed hard for disbanding COCOM in order to remove export restrictions.

China has gone down a similar path. Last year, when China carried out aggressive military exercises in the Taiwan strait, effectively closing the strait to both shipping and air traffic, the United States—sensing China might turn the exercise into a full scale invasion of Taiwan—moved two carrier task forces into the area. As the tension rose, a high ranking Chinese official threatened to launch nuclear ballistic missiles against Los Angeles. Such threats, and the willingness to make such threats, should make it clear that there are serious dangers today, and we should not want to exacerbate

them by providing technology that will increase the risk and danger, as supercomputers will.

In light of these issues, it is hard to imagine how the administration decided to make it easy to export and buy supercomputers. For most transactions, the administration's supercomputer export controls are no more burdensome than export controls on personal computers.

Put simply, the regulation says that high performance computers can be exported without individual validated licenses, but there are some restrictions based generally on the country and end user—with countries organized into three groups or "tiers." The makeup of each tier is, to a certain extent, bizarre.

For example, the middle tier (Tier 2) countries that can receive supercomputers less than 10,000 Millions of Theoretical Operations Per Second (MTOPS)—includes Antigua and Barbuda, Bangladesh, Belize, Equatorial Guinea, Haiti, Liberia, Nicaragua, Poland, the Slovak Republic, Somalia and Togo, as examples. Keep in mind that the entire Defense Department owns only two computers more powerful than these and hardly any computers in this middle category.

Israel resides in Tier 3, a motley collection of countries including Angola, Belarus, India, Oman, Saudi Arabia and Tajikistan. They can get computers in the range of 2,000 to 7,000 MTOPS. Israel, a staunch U.S. ally and country with which our Defense Department and defense industries cooperate on an ongoing basis, is lumped in with Angola, Belarus and India, hardly traditional friends of the U.S.

Tier 1 includes our allies and a few others whose presence is hard to understand. For example, it includes Iceland, which was never a COCOM member and never cooperated with the U.S. on export controls. The same holds for Liechtenstein and Luxembourg, from which technology diversions were common in the 1970's and 1980's. San Marino is there. Tier 1 countries can receive any level of performance supercomputer.

The caveats in the regulation are applied only where the end use or end user is nuclear, chemical, biological, or missile related. This sounds good, but in practice it is meaningless because it requires the selling company to "know" whether or not the "buyer" falls into a restricted category. Burt since there are no licenses and scant record keeping is required, even these minimal restrictions are hard to enforce.

The 1996 sale of supercomputers by Silicon Graphics that somehow ended up in a nuclear design installation in Russia is a case in point. Exactly how it happened is still under investigation and Silicon Graphics says it would never knowingly have made a sale to the Russian Scientific Research Institute for Technical Physics. But there is no doubt the computers now serve Russia's nuclear weapons industry. This is the first time any supercomputer has been lost or gone to a nuclear weapons designer.

Part of the problem clearly is that once a supercomputer is delivered it can be retransferred and the U.S. government and the company are, in fact, out of the loop. For example, a supercomputer sold to a shoemaker in Iceland can be resold to a Chinese missile factory. Because there is no international licensing system or other mechanism, it is reasonable to conclude that there is next to nothing we can do about such a re-export transaction.

The United States needs supercomputers, particularly in this era of restricted budgets; they will be the keystones for future defense systems which, more and more, will be based on high technology—and less and less on politically sensitive testing.

However, there are still those who want even more liberalization of export controls on supercomputers.

Supercomputers are a critical tool for developing defense systems for the next century. Making such machines freely available to the world under the flawed system we now have will help erode both our technology leadership and our national security. If the United States wants to retain its superiority in an era of collapsing defense budgets, it is critical to hold the line on these sensitive exports and keep these machines out of the hands of potential adversaries or proliferators. At the same time, we must make sure that the military departments and research activities of the Department of Defense have access to the best computing technology.

Therefore, the Board of Directors of JINSA urges Congress to:

1. Suspend the current regulations on High Performance Computers, restoring the previous validated licensing requirements for supercomputers.

2. Demand a full accounting of supercomputer sales under the current export regime.

3. Conduct a full assessment of the impact of computer sales on national security and on weapons proliferation.

4. Assess, using the CIA and Defense Intelligence Agency, who is seeking supercomputers and why they are wanted.

5. Develop and propose an effective multi-lateral export licensing system.

Passed unanimously 2 June 1997.

ORPHAN FOUNDATION DINNER

HON. J.C. WATTS, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 26, 1997

Mr. WATTS of Oklahoma. Mr. Speaker, last week I was honored to be a part of the Orphan Foundation dinner which gives private dollar college scholarships to parentless foster youth. These kids have achieved against the odds—many of them growing up in poor rural and urban centers.

At that event, the Congressman from Georgia—the Speaker, Mr. GINGRICH gave a speech that is a great example of the route we need to take for positive race relations and the urban agenda that could reshape the landscape of this great nation. I commend this speech to the RECORD and thank you for allowing us to share these words.

ADDRESS BY SPEAKER NEWT GINGRICH TO THE ORPHAN FOUNDATION OF AMERICA

Thank you, Jim Taylor, for that very nice introduction. Even more, thank you and the Gateway 2000 Foundation for underwriting the scholarships for these remarkable young people. I would also like to thank Eileen McCaffrey as President of the Orphan Foundation of America for her leadership in organizing the 4th Annual OLIVER Project in support of foster youth attending college.

The Orphan Foundation is but one part of a worldwide movement toward helping people. We are a movement of people who believe that combining the wisdom of the founding fathers, with the opportunities of the Information Age and the world market, will help each person exercise their Creator-endowed right to pursue happiness and will eventually lead to freedom, prosperity, and safety everywhere. It seems to me that that is a good description of what Eileen, Jim and everyone associated with the success of this year's OLIVER Project hope to achieve.

I understand that the young people honored here tonight were in foster care for a long time. Thankfully, you were able to reach out on your own to private organizations like the Orphan Foundation to find mentors and parents that have been more helpful in brightening your future than any government bureaucracy.

For example, David DiBernardo, now a freshman at Slippery Rock University in Pennsylvania survived twenty-nine foster care placements before he found the Orphan Foundation. This illustrates the fact that investing in our youth and strengthening permanent families is not accomplished by any government program—it happens one child at a time.

It is essential that we learn from organizations like The Orphan Foundation and specifically the OLIVER Project, which honors foster youth attending college. Their goal is to replicate the OLIVER Project in the states for high school students.

As we pursue these endeavors to brighten the future of every young American, it is important that we listen and learn from the real experts: the young people here with us tonight. For example, Elizabeth DeBroux, a senior at Oglethorpe University in Atlanta, and her friends can advise us in Georgia on the most effective policies to help young people.

The Orphan Foundation has the right idea and is the right model: It saw a need and chose to provide an opportunity. You have seen what these young people have managed to accomplish so far. You have faith in them that they will be achievers. You have assisted them in helping them make their dreams come true. You have given them a precious opportunity to now have the tools to exercise their Creator-endowed right to pursue happiness. In your eyes, there is no black or white or any other color. There is only a genuine need and the possibility to offer an opportunity. What you are doing is uniquely American—in more ways than you may realize. When we look around this room, and we see children of many, many hues, we learn, frankly, that it is the common bonds of experience which truly bring us together. These bonds have as much influence on our lives, our successes and our ultimate futures than something that is as ultimately superficial as race.

Consider the experience of the orphan: Whether because of war, famine, accident, irresponsibility or illness, a child is suddenly alone in the world. The obstacles that child has to overcome and the opportunities that organizations such as the Orphan Foundation provide for that child—those experiences shape them in a particular way. And so one orphan—black, white, Asian, Muslim, Christian or whatever combination of those characteristics you can imagine—can look to another and say, "Yes, I've been down the same road that you've traveled and regardless of how you may look or how you may worship, I can see that you and I share the same experience."

This is a particularly apt metaphor for America writ large. America is a nation of immigrants. In certain ways, the experience of the immigrant and the experience of the orphan mirror one another. We have, in America, people who have, for various reasons come to America for a better opportunity. Before there was a nation called the United States, Pilgrims, fleeing religious persecution, landed in a place they called the New World. In the 1800's the Irish came to these shores fleeing a famine which had devastated their country. As recently as the 1970s, Vietnamese fled a homeland wounded by decades of war. These and so many others saw hope and opportunity in America. They came here for a chance to succeed. They