

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. But 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

made the conscious decision to become part of a new family—to become Americans. And becoming an American is a unique experience, which comes with certain responsibilities, certain habits that one has to absorb and accept to successfully finish the process.

An American is not "French" the way the French are or "German" the way Germans are. You can live in either of those countries for years and never become French or German. I think one of the reasons Tiger Woods has had such a big impact is because he is an American. He defines himself as an American. I think we need to be prepared to say, the truth is we want all Americans to be, quite simply, Americans. That doesn't deprive anyone of the right to define further define their heritage—I go to celebrations such as the Greek festival in my district every year. It doesn't deprive us of the right to have ethnic pride, to have some sense of our origins. But it is wrong for some Americans to begin creating subgroups to which they have a higher loyalty than to America at large. The genius of America has always been its ability to draw people from everywhere and to give all of them an opportunity to pursue happiness in a way that no other society has been able to manage.

That is a particularly useful way of discussing the question of race which I raised at the beginning of the year, when I was re-elected Speaker, and which the President addressed this past weekend in California. This question of race is at the heart of America's darkest moments—slavery, the Civil War, segregation—and yet dealing with it in the public sphere also produced two of our most brilliant and influential leaders—Abraham Lincoln and Martin Luther King, Jr. Such has been the tragedy and the triumph of race in America. As W.E.B. DuBois observed, the 20th century has in some ways been defined by the "color line". As we move into a new century, we have to look at what has worked when it comes to race, what hasn't and what lessons we should learn. Because, as the old adage goes, there is no surer sign of insanity than doing the same thing over and over again—and expecting a different result each time.

Looking to the new rather than repeat a failed pattern is a very American truth. To those who doubt whether America holds promise even in the most hostile of circumstances, we need only turn to the "Narrative of the Life of Frederick Douglass, An American Slave"—his autobiography. While the question of a federal apology for slavery can be discussed by reasonable people of all persuasions, let us not forget someone like Douglass who didn't wait for an apology. He allowed bonds neither physical nor mental to prevent him in one lifetime to go from being a slave to becoming an adviser to the President. That is quintessentially an American story. That is a story like many others in this unique nation. It stands as one of many historic lessons which all Americans can benefit from learning. Slavery was an awful period in this country's existence—one which we as a country—must never forget. That's why I was glad that J.C. Watts introduced his "June Tenth" resolution yesterday, observing the day many African-Americans celebrate as the traditional end of slavery. The more Americans learn about America—the triumphs and the tragedies—the more we mature as a nation. But while Americans must respect the past, part of being an American is about looking forward.

The scholarships being awarded here tonight are a good place to continue the dialogue on race—because they are awards of pure achievement, pure merit rewarding individuals for their superior work as individuals. They are not being granted because somebody felt sorry for you or thought you

needed assistance because you were a particular race or gender. You are being rewarded for your hard work as individuals. That is the way we must approach the issue of opportunity. We will not be successful in moving our society forward if we submerge individuals into groups.

Unfortunately, government policy has concentrated on groupings over the last thirty years. The results of the group-think approach are in and they have proven tragic. Let me draw a distinction. I was an Army brat. I was born in Harrisburg, PA. I grew up in an integrated institution. I went to the South as a teenager and was in Columbus, Georgia when there was still legal segregation. Segregation was the legal imposition by the state of a set of unfair rules. Ending segregation was an inherently political fight. It made perfect sense for people who wanted to advance the cause of freedom and end government-imposed segregation to focus on politics and government. Since the results of segregation were focused on a specific group, it made sense that the focus was on removing the impediments at the group level.

Having ended segregation, however, the next struggle, frankly, is and has been economic and educational achievement. Government is a peculiarly ineffective institution in those areas. This is a lesson we now tell the Chinese, we tell the Russians, we say everywhere around the planet. Centralized, bureaucratic, command-and-control systems don't work. Well, guess what? They don't work very well in the inner cities of Washington, D.C., New York or Detroit, either. And they have proven tragically not to work on Indian reservations.

We need to treat individuals as individuals and we need to address discrete problems for the problems they are—and not presume them to be part of an intractable racial issue which will never be torn out.

Consider education as an example. Following the removal of racial quotas in the University of California system, Berkeley experienced a precipitous drop in accepted black students for their fall classes. The old way of thinking assumes this to be a racial problem that must be addressed in a race-specific manner. That is exactly the wrong kind of thinking. In fact, enough young people are not being educated well enough to get into Berkeley, the focus should be on what's wrong with the schools that are producing them and how we improve those schools. And if the need is for more tutoring . . . and if the need is for better education . . . if the need is for a way to dramatically overhaul the schools—then let's overhaul the schools.

Similarly, if there are not enough young blacks in particular—young Hispanics to a lesser extent—going out and creating small businesses, then let's look at what are the inhibitions to creating small businesses. All of the set-asides in the world will not change Anacostia or other such pockets of poverty. We have to have a profound fundamental rethinking of the assumptions that have failed for thirty years.

As you look at the success of West Indian, first-generation immigrants or of Koreans or you look at the success, for that matter, of people who have come here from Africa in the last thirty years, the fact is a surprising number of people of color rise surprisingly rapidly. And by rising I mean get wealthier, buy property, have freedom and go on nice vacations. They rise very rapidly. They rise because they have the right habits, skills and networking ability. But if you trap people into public housing with anti-work and anti-achievement regulations, send them to schools that fail, teach them a set of habits about not working, create an environment where no one near them gets up on Monday to go to a job, have nobody in the neighbor-

hood who opens a small business, it shouldn't shock you that we end up with cycles of despair which repeat for generations.

What we've done is artificially create, both on Indian reservations and in the inner city, zones of despair and depression where people have no hope. So we need to talk about a very different model. The President's commission needs to begin with this new, more powerful approach. In America everyone is an individual. Everyone in America has the creator-endowed right to pursue happiness. In America, we pragmatically solve problems by asking, "Why isn't this happening?" For example, "Why aren't children learning in a particular neighborhood?" Then systematically break the problem into components and solve it. In many cases, a solution will require a replacement rather than a repair. That's why we developed a replacement for the failed welfare system. You couldn't repair the old welfare system of passivity and lifetime dependency. It had to be replaced with a different model that emphasized training work and self-help. I would argue the same is true with much of the public housing rules. You can't repair them. You have got to replace them with a different model.

If you do create a replacement system at a practical level, what behaviors are you trying to encourage among large numbers of people? You want to make it easy to open a small business. Most big cities make it hard. Hernando DeSoto fifteen years ago wrote "The Other Path." It is based on anti-job rules in Lima, Peru. It applies as well to Washington, D.C., Atlanta, Miami, New York, Los Angeles and virtually all large American cities. So the very place we want more business—we're going to face this problem of local anti-job taxes and rules now. I'm the leading advocate for tax breaks for Washington, D.C. We have nearly \$580 million in tax breaks (over ten years) in the tax bill for our nation's capital. We have fought hard to protect these tax breaks. Yet D.C. city taxes are one-third higher than the surrounding counties' taxes. Now, it is not hard for any student of Adam Smith to figure out why, if you are a rational small businessperson, you go to Prince George's County. It's safer, it's cheaper and the local government doesn't make it so difficult for the entrepreneur to succeed.

It doesn't matter how many quotas you have. If you're not willing to confront the central need to reform and replace the systems that have failed, they will continue to fail. I would hope the President's commission will have the moral courage to erase the assumption that we are a "group" society. If they will look to Canada right now, they will see profound reasons for Americans to want to avoid our decaying into a series of groups. I hope this commission will decide that its goal must be to have every American succeed as an individual within the framework of their Creator-endowed rights.

We must focus on individuals and their personal educational and economic achievements. Obsessing on race will not allow us to move beyond race. We must follow the example of the Orphan Foundation and recognize specific needs and provide principles that will allow Americans of all backgrounds to open the doors of opportunity.

We have to start with the development of a solid foundation—with an economic and social pillar—which will allow us to build a true opportunity society. We must emphasize continuing economic growth with low inflation and rising take-home pay. Within this economic growth we must emphasize creating opportunities for minorities to create new small businesses. Our goal should be to encourage at least a three-fold growth in black-owned small businesses over the next

few years. This will require reductions in taxation, litigation and regulation to make it dramatically easier to launch small businesses. It also will require an aggressive outreach program to encourage minority individuals to create their own business as an alternative to working for others.

In addition to expanded economic opportunity we should insist on solving other challenges which affect all Americans but bear particularly harshly on minority populations. I imagine it is January 1, 2001, the first day of a new century and a new millennium. It is a Monday morning. Imagine waking up to an America that was virtually drug-free, in which practically every child was learning at their best rate, and in which almost all children were born into or adopted into families that could nurture and raise them.

I am not describing a utopia. This is the America I went to high school in in 1960. Drug use was marginal. There was an expectation you could read the diploma before they gave it to you. Self-esteem was earned not given. Young males knew that fatherhood was a responsibility not just a biological side effect of hedonism.

All of America will be better off if we create a drug-free, learning-oriented America of children growing up in families—minority Americans in general and black Americans in particular—would find their lives dramatically improved by these changes.

Stopping drug addiction, drug-related violence, and drug-generated wealth will do more to improve the lives of young blacks and the prospects of poor neighborhoods than all of the quotas and set-asides combined. When neighborhoods are drug-free and crime free, businesses will return, jobs will reappear and economic opportunity will be re-established.

True learning is infinitely more powerful than social promotion combined with quotas and set-asides. Every child of every background in every neighborhood deserves their full rights to pursue happiness as their Creator endowed them. Recently, I attended an 8th grade graduation at St. Augustine private School here in Washington. 98% of the private school children will graduate. The public schools which cost three to four times as much will graduate less than half as many of their entering children. Saving the children who are dropping out requires new approaches not new quotas.

We know we can dramatically reduce single teen pregnancy because it is being done. Kay Granger, former mayor of Fort Worth and now a freshman member of Congress, worked on a YWCA project for 800-at-risk teenage girls. Statistically 70% should have become pregnant. The program taught these young girls ambition, integrity, and motivation. Instead of 560 becoming pregnant, only two did. We can break the cycles of dependency and despair in our poor neighborhoods.

This is not a proposal for a massive new government program. If centralized bureaucracies in Washington could have stopped drugs, guaranteed learning and ended single teen pregnancy, the job would have been done—we have created the bureaucracy and spent the money. It was just the wrong model.

America is a great country filled with good people. Tocqueville pointed out in the 1840s that volunteerism, local leadership and faith based charities were the unique attributes that gave America its dynamic character. Marvin Olasky recaptured these principles of American success in his 1994 book "The Tragedy of American Compassion."

Instead of focusing on broad sweeping generalizations about race, the President's com-

mission needs to focus on practical, doable, immediate action steps that can solve America's problems. If Americans get busy enough working together to achieve real goals, racism will recede. Perspiration and teamwork will dissolve racism faster than therapy and dialogue.

I'm sure most of you saw the Bulls-Jazz championship game last week. In the closing moments, when Michael Jordan looked to find an open man for a winning shot, he didn't look for the closest black player. He looked for the nearest jersey. That happened to be Steve Kerr who is white. This is the example for society to follow: A group of individuals so focused on a common goal of winning—that they don't have time to worry about what color the other is. I will also remind everyone here and watching on C-SPAN that Michael Jordan tragically lost his father a few years ago. Steve Kerr, while a college freshman, lost his father to Middle East violence. They are also good examples of overcoming adversity and triumphing in the face of it.

We thank the President for wishing to continue the dialogue on race last weekend. But frankly, there has been much talk on this issue and very little action of the sort which will dramatically change people's lives. Let me now suggest 10 practical steps which, started today can build a better America and, in the process, close the racial divide.

1. Learning: We must create better opportunities for all children to learn by breaking the stranglehold of the teachers' unions and giving parents the financial opportunity to choose the public, private, or parochial school that's best for their children (as outlined in Majority Leader Arney's Educational Opportunity Scholarships for District of Columbia students).

2. Small business: We must set a goal of tripling the number of minority-owned small businesses by bringing successful small business leaders together to identify—and then eliminate—the government-imposed barriers to entrepreneurship.

3. Urban renewal: We must create 100 Renewal Communities in impoverished areas through targeted, pro-growth tax benefits, regulatory relief, low-income scholarships, savings accounts, brownfields clean-up, and home-ownership opportunities (as outlined in Jim Talent and J.C. Watts' American Community Renewal Act).

4. Civil rights: The Equal Employment Opportunity Commission should clear its existing backlog of discrimination cases by enforcing existing civil rights laws, rather than trying to create new ones by regulatory decree.

5. Equal opportunity: We must make America a country with equal opportunity for all and special privilege for none by treating all individuals as equals before the law and doing away with quotas, preferences, and set-asides in government contracts, hiring, and university admissions (as outlined in the Canady-McConnell-Hatch Civil Rights Act of 1997).

6. Racial classification: We must break down rigid racial classifications. A first step could be to add a "multiracial" category to the census and other government forms to begin to phase out the outdated, divisive, and rigid classification of Americans as "blacks" or "whites" or other single races. Ultimately, our goal is to have one classification—"American".

7. Home ownership: We must ease the path toward home ownership by giving local communities and housing authorities the flexibility and authority to more effectively and efficiently house low-income Americans (as

outlined in the Housing Opportunity and Responsibility Act). We must also expand faith-based charities such as Habitat for Humanity, which grow families as well as build homes.

8. Violent crime: We must make our cities safe and secure places to live and work through community policing, tougher sentences for violent criminals, and innovative anti-crime programs (as outlined in the Juvenile Crime Control Act of 1997). We must also dramatically expand the community-based anti-drug coalition efforts and insist on a victory plan for the war on drugs.

9. Economic growth: We must expand economic opportunities for all Americans by promoting continued economic growth with low inflation and rising take-home pay, through tax cuts, tax simplifications, litigation reform, less regulation and overhaul of the burden of government on small businesses. After all, for welfare-to-work to be successful, work needs to be available.

10. Welfare reform: We must take the next step in welfare reform by fostering and promoting innovative local job training, and entry-level employment programs to move welfare recipients into the workforce (as outlined in the Personal Responsibility Act of 1996 and the welfare-to-work initiatives of Governor George Bush of Texas and others).

These ten steps are examples of the kind of practical, down-to-earth, problem-solving efforts which will improve the lives of all Americans, but have an especially important and dramatic impact on the lives of poor Americans and minority communities.

I hope the President's commission will establish a goal of practical reforms and practical changes and will hold hearings designed to elicit pragmatic, down-to-earth proposals for real change.

The commission would do well to start right here with the Orphan Foundation. This is a uniquely American institution—in your generosity of spirit, in your inner strength and in your boundless optimism. But most of all, you are uniquely American because in giving these and many other young people the rarest of treasures—a sense of hope, a sense of place and a sense of possibility—you are in fact helping show them what it means to be citizens and part of the American family. And those are the greatest gifts of all. You are part of a worldwide movement of freedom and faith. You are all making our jobs a little bit easier. I thank the Foundation for its work; I salute this year's scholarship winners and I thank you for allowing me to join you this evening.

## BALANCED BUDGET ACT OF 1997

SPEECH OF

**HON. DARLENE HOOLEY**

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, June 25, 1997*

Ms. HOOLEY of Oregon. Mr. Speaker, I rise today to express my support for this historic budget agreement. We have a remarkable opportunity to balance the budget while protecting our values, and I believe we should do everything we can to craft a budget plan that will be good for all Americans.

Balancing the budget and putting our fiscal house in order is the single most important thing we can do for our children, and for our future. We have made important strides toward balancing the budget and shrinking the