Union about a free trade alliance and will also soon begin free trade talks with Mexico, Canada and the Central American Common Market.

One of the consequences of Mercosur's expansion and the American retrenchment is that the U.S. is losing leverage in hemispheric free trade talks. While official negotiations are not scheduled to begin until 1998, the failure of the U.S. to secure fast-track leaves open the distinct possibility that the agenda and timetable for these talks will be dominated by other countries.

Lack of fast-track is also hurting U.S. companies seeking access to the region's dynamic consumer markets. American wine producers are losing market share in Venezuela to Chilean producers, not because Venezuelans prefer Chilean Merlot to Napa Valley Cabernet Sauvignon, but because Chile has a free trade agreement with Venezuela that allows its wines to enter the country tariff free. American wines, by contrast, carry a hefty 20% duty. If the duty were to be eliminated, industry experts believe that U.S. wine producers could see their share of the Venezuelan market jump from the current 5% to well over 30%.

While California wine producers cannot pull up their vines and move to more hospitable commercial climates, other industries are less restricted. Caterpillar Inc., based in Peoria, Ill., recently announced plans to produce bulldozers, excavators and off-road trucks in Brazil for export to Chile. The decision to build the equipment on foreign rather than U.S. soil was based on tariff considerations. U.S. exports to Chile face an average 11% tariff, while tariffs on Brazilian exports are being phased out under Mercosur. Other companies that may follow Caterpillar's lead include General Electric and Eastman Kodak.

Several major U.S.-based multinationals with joint ventures in Chile—including IBM, Southwestern Bell and McDonald's—have announced plans to source millions of dollars in equipment in Canada and Mexico rather than in the U.S. The reason, again, is that Canada and Mexico have bilateral free trade accords with Chile that permit their goods to enter the South American country tariff-free, while U.S. goods face prohibitive duties. According to the U.S. Chamber of Commerce, the loss of opportunity for U.S. exports to Chile is $480 million a year and climbing.

Those who question the need for deeper economic integration should consider the benefits of Nafta. Notwithstanding the 1994 peso devaluation—which halved the price of Mexico's exports to the U.S.—U.S. exports to Mexico and Canada have grown 34% since the pact took effect in 1994. They now outstrip total U.S. exports to either the Pacific Rim or Europe.

According to a Council of the Americas study of 21 U.S. states, nine states have witnessed 40% plus growth in exports to Mexico and Canada since 1993 and another seven have seen those export markets grow by more than 30% during that time. In 1996, California exported to Mexico more than $9 billion in goods and services. The California World Trade Commission estimates that exports to Mexico support more than 125,000 jobs in the Golden State, with almost 25,000 of these jobs resulting from export growth in 1995 alone.

Nafta has also helped promote U.S. interests in Mexico by helping stabilize the country in the aftermath of the peso crisis. After Mexico's 1982 peso devaluation, it took seven years before the country showed signs of recovery. By contrast, Mexico's economy touched bottom and began to turn around less than 12 months after the December 1994 devaluation. There is also little doubt that the climate of openness fostered by Nafta raised political consciousness and contributed to the July 6 electoral shakeup that ended 70 years of political dominance by the Institutional Revolutionary Party.

An activist American trade policy made possible by fast-track negotiating authority will keep the U.S. economy strong and guarantee that future generations enjoy rising living standards. That said, the importance of fast-track transcends economic issues. As Rep. Lee Hamilton (D., Ind.) recently said, ''Fast-track is not just about trade, it is about U.S. leadership and influence in the world. And a president without fast-track is a president without power to promote U.S. interests abroad.'' We ignore this reality at our own peril.

PERSONAL EXPLANATION

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 24, 1997

Mr. GOSS. Mr. Speaker, on rollcall Nos. 402–415, I was unable to record my votes because I was called away on a family emergency. Had I been present, I would have voted ''yea'' on rollcall Nos. 415, 413, 411, 410, 409, 408, 407, and 406, and ''nay'' on rollcall Nos. 414, 412, and 405.

IN HONOR OF THE 70TH ANNIVERSARY OF THE EAST SIDE CHAMBER OF COMMERCE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 24, 1997

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay a respectful tribute to the East Side Chamber of Commerce on the 70th anniversary of its founding. The chamber has had a remarkable and honorable history of serving the residents and businesses of the East Side of Manhattan for most of this century.

The chamber was born in 1927 when it fought, almost single-handedly, to have a suspended trolley service reinstated to the Upper East Side. The chamber's successful 2-year battle to save the trolley service was only the beginning of a long history of service for the East Side.

The chamber also encouraged and took an active role in the development of housing projects like the Peter Stuyvesant Apartments, Ageloff Towers, and the Nation's first public housing venture, the First Houses at Avenue A and 3d Street.

East Side businesses benefited from the chamber's efforts as well. One successful campaign the chamber waged was the battle against push-cart markets which were rapidly congesting the Lower East Side and posing a threat to the area's businesses. The chamber's proposed alternative, the Essex Street Retail Market, was an indoor market that successfully kept push-cart vendors in business, but off the streets.

Over the past 70 years, the chamber made numerous transportation improvements to the East Side to facilitate access. The chamber played an active role in widening East Side streets, providing adequate subways, such as campaigning to have the IND routed through the East Side, and initiating discussions for an East River Drive.

The East Side Chamber of Commerce in 1997, under the leadership of president Joseph Greene and chairman of the board of directors, Sidney Baumgarten, is involved in many of the issues that affect East Siders: sanitation, rent control, bridge reconstruction, housing, crime prevention, education, and much more.

Mr. Speaker, I ask that my colleagues rise with me in this tribute to the East Side Chamber of Commerce as it celebrates its 70th anniversary. Their formidable record of achievement in bettering the East Side has made it a better place to live and work. I am proud to have an important and respected organization in my district.

INTRODUCING THE EMERGENCY STUDENT LOAN CONSOLIDATION ACT OF 1997

HON. HOWARD P. ''BUCK'' McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 24, 1997

Mr. MCKEON. Mr. Speaker, I rise today to introduce the Emergency Student Loan Consolidation Act of 1997.

Let me begin by saying that we must remember that everything we do in higher education has an impact on students, and the Department of Education's management problems are no different. It is no secret that I have had serious doubts about the long-term viability of the Direct Student Loan Program. Today we face a crisis in direct loan consolidation which only serves to heighten those concerns.

However, this is not about direct loans or guaranteed loans or which program is better. This is about students. This is about students who are currently unable to consolidate their direct loans. This is about student loan borrowers who may pay hundreds or even thousands of dollars in additional interest costs, who may have serious difficulty in securing other credit such as a mortgage, and who may even default on the student loans if we do not act now to fix this problem.

At this very moment, the contractor hired by the Department of Education to perform direct student loan consolidations is facing a backlog of 84,000 applications. This is clearly unacceptable. The number of students affected is actually much higher than this, since the Department of Education has now stopped accepting new applications for direct consolidation loans until this backlog is cleared. The Department hopes to accomplish this feat by December 1. However, to do that the contractor will have to quadruple the rate at which it is processing applications, and I have serious doubts as to whether this can be accomplished.

The legislation we are introducing today will fix this problem for students now, in the short term, rather than making borrowers wait months for the Department and its contractor to straighten things out. Currently, the Higher Education Act of 1965 prohibits direct student loan borrowers from consolidating their direct student loans into FFEL loans through private lenders and servicers. Even if borrowers could consolidate their direct loans into the FFEL Program, few would because in most cases they would pay a higher interest rate, and would lose their deferment benefits on any subsidized loans which were consolidated.

Upon enactment, the Emergency Student Loan Consolidation Act will immediately change this to allow borrowers to consolidate direct student loans into FFEL consolidation loans. The interest rate for all new consolidation loans will be the equivalent of the 91-day Treasury bill rate plus 3.1 percent, the same as in the Direct Loan Program, and borrowers who consolidate subsidized loans, whether in the Direct Student Loan Program or the FFEL program will not lose their deferment benefits simply because they consolidate their loans.

This is emergency legislation, so these changes will only remain in effect until September 30, 1998. The cost of this legislation will be paid for by reducing the administrative funds for the Direct Loan Program by $25 million.

In conclusion, let me just finish by sharing the individual comments of a few of the students effected by the direct loan consolidation fiasco. At a hearing before the Subcommittee on Postsecondary Education, Training and Life-Long Learning last week, Ms. Angela Jamison had this to say: ''In the process of consolidating our student loans, my husband and I have been beset by chronic mistakes which range from incompetence to malfeasance.'' A process that was supposed to have taken her 8 to 12 weeks has taken her and her husband 8 months. The Jamisons were almost unable to close on their mortgage due to these delays, and to this day their loans have not been consolidated.

Many others have expressed a similar lack of confidence in the Department's ability to provide quality customer service, and you don't have to go very far to hear it. In church on Sunday, I spoke with David Higbee, a recent law school graduate. David had written me a letter about his problems with the direct loan consolidation process, and in it he said ''we quickly received an estimate from Sallie Mae on the portion of our student loans we were refinancing there, the Department of Education was slow and refused every reasonable suggestion to expedite its inadequate 'customer service' process.''

I am inclined to believe these students, and I am inclined to help them and the 84,000 like them with similar stories. The legislation that I am introducing today will provide these borrowers with immediate emergency relief. It is budget neutral. It is also the right thing to do. I urge my colleagues to help these students by supporting this important legislation and cosponsoring the Emergency Student Loan Consolidation Act.

TRIBUTE TO THE SOUTH BRONX OVERALL ECONOMIC DEVELOPMENT CORP. ON ITS 25TH ANNIVERSARY

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 24, 1997

Mr. SERRANO. Mr. Speaker, I rise to pay tribute to the South Bronx Overall Economic Development Corp. for its 25 years of fruitful service to the South Bronx community.

In 1972, U.S. Senators Jacob Javits, New York State Attorney General Robert Abrams, and six major banks joined together to establish the South Bronx Overall Economic Development Corp. [SOBRO]. The corporation was founded at a time when the South Bronx was suffering from major economic devastation, jobs were scarce, and people were leaving the area.

Over the past 25 years, SOBRO has successfully encouraged investment and economic growth in the South Bronx and has provided education and job training to area residents. Among its many accomplishments, SOBRO has trained or placed in jobs more than 20,000 residents, created or retained more than 30,000 jobs in the area, stimulated more than $120 million in investments, and assisted in the reconstruction of commercial districts.

In collaboration with Mott Haven neighborhood strategies project, SOBRO has been successful in training residents and placing them in jobs with businesses in empowerment zone areas. SOBRO also provides business training and technical assistance to minority entrepreneurs. It has also established a credit loan program to facilitate financial services, including loans for small businesses.

In addition, by forming partnerships with local businesses and area high schools, SOBRO has succeeded in providing valuable internship programs and part-time jobs for high school and intermediate school students. The organization also trains adults in many skills including cable installation, computer repair, home health care, customer service, and building maintenance.

Moreover, SOBRO has assisted in the transformation of abandoned buildings into affordable housing and commercial space. It currently has many projects underway, including the reconstruction of a 60-unit housing project for people living with AIDS. In addition, SOBRO has been successful in renovating Bruckner Boulevard, which has attracted many artists, antique shops, and other businesses to the area.

Changes in the welfare law are placing greater constraints on organizations like SOBRO that are trying to assist people in need. Despite this, SOBRO has continued to provide quality services to low-income South Bronx residents and to attract businesses to the area.

Mr. Speaker, it is an honor for me to recognize SOBRO for it 25 years of achievements, training and educating the youth, spurring economic growth, and beautifying our South Bronx congressional district.

TRIBUTE TO MARIE HAFF

HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 24, 1997

Mrs. TAUSCHER. Mr. Speaker, I rise today to extend my heartfelt congratulations to my constituent, Marie Haff, on her birthday. This past June 29, 1997, Marie Haff turned 80 years young.

Marie Haff, a resident of Pleasanton, CA, is a strong believer in family, hard work, and education. She is the proud mother of three daughters, grandmother of nine children, and great grandmother of three. Although Marie officially retired in 1982 from her job, manager of Northern California Credit Bureaus, she certainly has not stopped working. Currently, she is a trustee emeritus of Western Management Institute of Washington, DC, and serves as executive secretary of Associated Credit Bureaus of California. In addition to this already busy schedule, Marie attends classes at the local college, and last year at the age of 79, set out to conquer the information age by obtaining her first computer.

For many years Marie has served as a volunteer for local charities. She is active in promoting womens rights, and chaired the national committee which wrote the Equal Credit Opportunity Act, giving women the right to have their own credit records. For her efforts she has received many awards, including the Soroptomist Woman of the Year Award, International Credit Association Outstanding Leadership Award, and the Distinguished Service Award, California Department of Consumer Affairs.

I am proud to know Marie Haff. I offer her my warmest congratulations, and best wishes for all the years ahead.

TRIBUTE TO LT. COL. DANIEL R. CUNNINGHAM

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 24, 1997

Mr. MURTHA. Mr. Speaker, I rise today to inform the Congress of the immminent retirement of Lt. Col. Daniel R. Cunningham, a truly outstanding soldier in the U.S. Army. He has served this Nation faithfully and honorably for more than 26 years. Lieutenant Colonel Cunningham is most deserving of our tribute. His career accomplishments reflect the type of military leader this Nation has depended upon for over 200 years during peace and war. I would like to take a few minutes to outline Dan's career milestones.

On May 9, 1971, as a distinguished military graduate from the Gonzaga University's Reserve Officers Training Corps Program, he was commissioned a second lieutenant in the infantry, Regular Army. For the next 7 years, he served in a number of troop-leading assignments that took him to the 9th Infantry Division, Fort Lewis, WA, the 3d Infantry Division, Kitzingen Germany, and the Infantry School, Fort Benning, GA.

While in Germany, he commanded a mechanized infantry company and served as the infantry battalion's principle staff officer for logistics. Following his tour in Germany, he attended military schools and completed a masters degree in business. After schooling, Dan's career turned toward military comptrollership and resource management. As a comptroller, he served in the Ballistic Missile Defense Advance Technology Center, Huntsville, AL, and at Headquarters Forces Command, Fort McPherson, GA. A highly successful comptroller, Colonel Cunningham went back to troops serving as an infantry brigade adjutant and an infantry battalion executive officer in the 25th Infantry Division, at Schofield Barracks, HI.

The last 7 years of Dan's career have been spent in the Pentagon with the exception of 7 months duty in Saudi Arabia with the 22d Support Command and Army Central Command