

end of that terrible war gaining fame as an artilleryman. Sterling Price, a former Missouri Governor, led Confederate troops to the very end of the struggle, through numerous battles west of the Mississippi River.

More history of this celebrated battle has been discovered over time. In 1932, the remains of five Union soldiers were uncovered during excavation of the old Masonic College grounds nearby. Those five Federal soldiers were reburied on November 11 of that year in a solemn ceremony in that small plot to my right. The main speaker of the day was another Ike Skelton—my father. On that occasion, my father said, "These men gave their very all for the principles of government that they held dear in their hearts."

So it is with us today witnessing the reenactment of this famous struggle to recall the gallantry of those who fought and those who died for their causes. It is not for us to judge today the rightness or the wrongness of what compelled them to bear arms and participate in this North-South conflict. But it is for us today to reflect upon and draw inspiration from their devotion to duty, their determined efforts, and their military skill. So let us today honor the memory of those who bore the brunt of battle in those clear September days of 1861. Especially those who died here. Today, one-hundred and thirty-six years after the event, we will watch the reenactors following the roles played out here in flesh and blood by men of both the South and the North. We will witness the ingenuity of an American Southern leader whose troops used hemp bales as bulwarks for the advancing charge.

Within a few minutes, we will witness another example—a modern one—of American military ingenuity: the B-2 Stealth Bomber. This futuristic weapons system, which helps guard our country's interests and freedom, is a continuation of those inspired ideas that have been indispensable to Americans engaged in mortal conflict.

The human mind, using whatever technology is available, can change the military equation. And convert an inferior position into a superior position. In this sense, we can say that there is much in common between the way the Confederate soldiers used bales of hemp in 1861 and the way the U.S. Air Force can use the Stealth Bomber today. Past and present fuse together here.

During the Battle of Lexington, Union forces held the superior strategic position on the hill top, but they were defeated by the innovative use of hemp bales which reduced the capability of the Union weapons to find their Confederate enemies. Likewise, the configuration of another weapon of defense stationed in Missouri, the B-2 Stealth Bomber, allows it to reduce the capability of potential enemy weapons to find it.

Two forms of American military ingenuity produced superior results. Both changed the military equation of superiority and inferiority in their respective situations. Both are the product of creative, agile, and strategic American minds.

As we remember this past battle, and recall the strategy of victory applied here, we should remember that only 45 miles from here, the B-2 Stealth Bomber waits for its mission for America. Fast. Lethal. Very difficult to find. But one will find us here today—an exclamation point to our memorial.

Here, past is prologue. The technology may change, but American ingenuity remains a constant. Thank God for that, and for the courage Americans have always demonstrated in defense of a cause.

As we remember the past, we can look to the future with confidence. For if we understand our past, we can expect that we will not repeat historical mistakes. And that we,

too, may be called upon in our lifetime to be as inventive as those who won this great battlefield of Lexington, and that we, too, will meet the challenge and honorably discharge our duty.

God bless you.

## TRIBUTE TO HOPEWELL BOROUGH

### HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, October 22, 1997*

Mr. PAPPAS. Mr. Speaker, I rise today to join Governor Christine Todd Whitman in praising Hopewell Borough and its mayor, Mr. George Padgett, for the fine fiscal management it has exhibited. The Governor recently presented Mayor Padgett with a proclamation recognizing their efforts in this important area of public policy.

With the recent passing of the Balanced Budget Act, Washington has acknowledged the importance of sound fiscal management coupled with responsible legislative action. Mayor Padgett and the borough council have managed Hopewell Borough efficiently and responsibly while controlling property taxes. They stand as a model to other towns, whether they are in New Jersey or around the Nation.

Mr. Speaker, I am pleased to stand here and acknowledge Mayor George Padgett and the Borough of Hopewell.

## ADDRESS DELIVERED BY BERNARD L. SCHWARTZ

### HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, October 22, 1997*

Mr. BERMAN. Mr. Speaker, I rise today to direct the attention of my colleagues to an important address delivered recently at the Johns Hopkins School of Advanced International Studies by Mr. Bernard L. Schwartz.

Bernard Schwartz is one of America's premier industrialists. For at least the past quarter of a century, he has been a trusted, confidential advisor to Presidents, Cabinet members and Members of Congress. He is currently Chairman and Chief Executive Officer of Loral Space and Communications Ltd, a global high technology firm that primarily concentrates on satellite manufacturing and satellite-based services.

During the first Clinton administration, Mr. Schwartz served on the Defense Science Board Task Force on Antitrust, which issued the guidelines that govern current mergers in the defense industry. Through his private sector efforts and his public sector service, Bernard Schwartz is a true expert on a range of issues affecting America's continuing technological prowess and economic well-being.

In his address—"Defense Industry Consolidation: Where Do We Go From Here?"—Mr. Schwartz astutely describes the state of our Nation's defense industrial base. He provides some excellent suggestions for steps we can take to maintain healthy competition in the defense industry even as that industry undergoes unprecedented consolidation.

As those of us on the House Judiciary Committee know, the importance of competition in this vital industry cannot be understated: it is absolutely essential to ensure that American taxpayers receive a fair return on their investment and that we don't send our men and women in uniform into harm's way with inferior equipment.

Mr. Schwartz also touches on two other issues that are of great interest to me and many of my colleagues: trade with the People's Republic of China and fast track trade negotiating authority.

As the ranking member on the Asia and the Pacific Subcommittee of the House International Relations Committee, I have spent countless hours debating our policy toward China. I believe that negotiating China's integration into the international community is one of the most critical foreign policy challenges we now face. No one can doubt China's emergence as a global power with nuclear weapons and a permanent seat on the U.N. Security Council. Becoming a world, power, however, entails bearing the responsibility of acting like one, and abiding by international treaties and law.

Prior to 1997, I consistently voted to continue MFN for China because I believed that ending that status would not bring about the change we seek to encourage. This year I changed my position because China has continued to proliferate technologies associated with weapons of mass destruction to Iran and Pakistan. Such behavior runs counter to all international norms. But I, like Bernard Schwartz, remain very hopeful that we can improve our relations with China and build on our existing economic ties with the people of that country.

I strongly agree with Mr. Schwartz that we should support President Clinton's request for fast track. This authority—held by every President since Gerald Ford—is necessary to ensure that our trade negotiators have the leverage they need to pry open overseas markets.

It is clear that our economic prosperity at home is closely tied to our active participation—and indeed, leadership—in the global economy. Since 1992, almost 40 percent of our domestic economic growth is directly related to international trade. The United States cannot afford to sit on the sidelines while the rest of the world hammers out new trade pacts.

Following is the text of Mr. Schwartz's address:

## DEFENSE INDUSTRY CONSOLIDATION: WHERE DO WE GO FROM HERE?

(By Bernard L. Schwartz)

Thank you, Chairman Pitofsky, Dean Wolfowitz, and ladies and gentlemen for joining us for what I hope will be a provocative and useful discussion about defense industry consolidation.

It is a pleasure for me to be back speaking at the Johns Hopkins School of Advanced International Studies. I have, in fact, been giving talks here on subjects associated with the U.S. Defense industrial base for roughly the past decade, and I applaud the continuing interest of the school, under the very able leadership of Paul Wolfowitz, in this subject. I have felt for a long time that the health of the defense industrial base is of critical importance to keeping the United States strong and secure. During the years of the cold war; it was critical for us to have a healthy industry to deter the kinds of threats that we faced in that era, and, in my

view, it continues to be critical for us to maintain a vital defense capability to field the most advanced military systems and weaponry. Defense technology and its production base will save lives and provide the foundation of an effective foreign policy.

In the late 1980s, when I first spoke here, I was concerned about the threat posed by foreign companies buying, without suitable constraints, American defense firms. I have always favored opening American markets to foreign participation. But I felt that, particularly in the defense arena, there should be some guidelines governing foreign participation. So I spoke here and subsequently authored a paper that Johns Hopkins published, entitled: "Foreign Ownership of U.S. Defense Companies; Where Do We Draw The Line?" Happily, in my view, in the intervening years the U.S. Government has helped to draw a useful balance in this area, demonstrating that good government policy can work with industry to produce constructive results.

In the early 1990s, Johns Hopkins again provided me an opportunity to address defense issues. On this occasion, the subject was the impact of a planned, precipitous decline in defense procurement. I was particularly concerned about what this might mean for our industrial base and our security interests. I felt then, and feel now, that this country over-armed in the 1980s. The industry has excess personnel and excess capacity to meet the changed threat, so downsizing was appropriate and inevitable. However, I felt that this needed to be done purposefully, with a continuing eye on the changing threats that the United States would be called on to face in a post-cold war world. At that time, I stressed that the DOD and industry needed to form a new covenant to transform, sensibly, our defense industry into a smaller, leaner, but healthier producer of the world's finest weaponry for the world's finest peacekeeping force. At the time, this was in conflict with the apparent *Laissez-Faire* policy of the DOD.

I was, therefore, delighted when I was asked in mid-1993 to serve as a member of the defense science board task force on anti-trust. Its chairman was Bob Pitofsky, who proved to be both a masterful leader and consensus-builder. It was a difficult assignment, not only because the issues were complex, but because they cut across a wide spectrum of government, industrial, defense and social interests. One challenge facing the task force's members was keeping our civility while advocating strongly held convictions.

The resulting report was constructive and balanced, and, I think, unanimous. Its recommendations formed a basic framework for the defense industry consolidation to the overall benefit of all interests. Bob Pitofsky's wisdom, tact and negotiating skills were essential to that successful result.

In the roughly 3½ years since the issuance of this report, the restructuring of the U.S. defense industrial base has gone forward to an unprecedented degree. During this period, there have been more than a dozen major defense mergers, involving roughly \$60 billion. The most recent, and one of the largest of these transactions, Lockheed Martin's acquisition of Northrop Grumman, is still pending before the antitrust authorities at the Department of Justice. In all, approximately \$100 billion in mergers and acquisitions have already occurred since 1990.

It is appropriate to measure how effective we were during the initial phase of industry consolidation. I think we did well. Recall the consternation that greeted the beginning stages of the downsizing. Stories about plant closings were prime time media events, emphasizing the economic impact on commu-

nities, and widespread concern for the one million employees whose jobs were terminated. These men and women, possessed of skills and training that were once regarded as national assets, were suddenly rendered redundant. Southern California, Long Island, and many formerly prosperous areas were in serious recession.

But then a miracle of economic recycling occurred. Aggressive entrepreneurialism recycled defense resources, transferring those specialized skills to commercial applications. Thus liberated, this human capital, coupled with huge investment capital, exploded into new businesses, new technologies, new plant investments, and new markets. The genius of American ingenuity, unhindered by the Government bootstrapping of the European economic model, invented, developed, invested and produced at higher levels of efficiency than could ever have been imagined, and brought forth a new paradigm of wealth and job creation, and an expanding economy without inflation.

What a success story—the result of a successful collaboration between government and industry, not unique in the American experience, but nonetheless, fantastic.

My personal experience, and Loral's, is totally consistent with this history. By the end of 1995, Loral Corporation grew to a \$7.5 billion high-tech electronics systems company. Almost all of our activities were involved with defense. We were consistently profitable and we were the leading supplier of many of the significant technologies used in defense electronics.

In fact, Loral was a principle beneficiary of defense consolidation. But the merger in 1995 of Lockheed Martin rang a bell. We read the merger between a leading platform company and a leading electronic system supplier into a mega-sized player as the beginning of a new phase in the industry rationalization. This was a vertical integration that left companies, even as strong as Loral, vulnerable. We determined that remaining independent as a defense contractor was not a good strategy for the future. We initiated discussions with Lockheed Martin in a fairly unique transaction, selling the defense operations for about \$9.5 billion, keeping the satellite and most of the space operations, and paying a \$8 billion plus cash dividend to our shareholders. Twenty years prior, Loral's aggregate shareholder value totalled \$7.5 million. In 1996, including the value of Loral Space and Communications and Globalstar, shareholder value totalled about \$11 billion. Today's equivalent value is about \$14 billion.

The reason we chose Lockheed Martin as a merger partner was that our companies provided the best business and operating fit. The synergies offered the best opportunities for growth and the best prospects for a good integration of Loral's employees. I am proud to say that these considerations were extremely important. It became a win-win transaction, and offered bountiful returns to our shareholders, as well.

What is more relevant to this evening's discussion is management's decision to transfer our energies to commercial space and telecommunications after a long and successful defense experience. Although defense will remain a good business, we nevertheless felt vulnerable to the vertical integration that was coming. The point here is that a merger of mega-resources into a vertically integrated defense supplier present a threat to second tier companies, even if they are large primes. Now, Loral had an option—recycle into an emerging commercial market. But, if others similarly opted out also, a mass exodus of independent producers from the subtier level of the industry would not serve the country's vital interests.

In my judgement, the threat of vertical integration will have a chilling effect on our national capability. It is commonly accepted that much of the most innovative technology developments are advanced by the creative environments of the smaller, independent companies. If we allow the mega-forces created by industrial consolidation to vertically consume these second and third tier independents, we risk losing a critically important segment of industry.

However, this development is not inevitable, and I was delighted last year when the defense department decided to create a task force to look at vertical integration. The task force was specifically created to analyze the potential effects of vertical integration on defense products and to identify whether the defense department should take any new initiatives. I know that the task force worked hard, held a number of searching meeting and produced a useful final report, but I think it should have reflected a greater urgency by offering some concrete steps to help maintain a healthy and competitive subtier base. At least two well-established procurement procedures that would serve well the needs of the department and those of the industry are available. One is to separate prime weapon platform procurements from procurements of major subsystems, support services and training. From the RFP offering through the granting of contracts, if government acquisitions were to be so divided, the DOD customer would have access to all available technology and performance on the basis of merit. This practice is more difficult to administer than awarding everything to one contractor, but I believe the offsetting benefits are more than worth the inconvenience and cost.

A successful example of this procedure, and there are many, is the F-15 program in which the platform was competed and then secured from McDonnell Douglas, but a major avionics system, the radar warning receiver, was separately supplied by an electronics company, in this case Loral. The point being, the platform manufacturer could not automatically choose an internally provided system when, in fact, a better solution was available because the DOD acquisitions divided the platform procurement from its major components.

A second initiative that would help to ensure the integrity of our industrial base would be to issue the prime contract for complex weapon system procurement to system integrators. This would separate the hardware and software manufacturing functions from the design, engineering, and integration activities. In one procurement which can be successfully cited, the British Ministry of Defense awarded the procurement of the total helicopter system to an integrator as prime. The helicopter platform supplier, as well as all other subsystem suppliers, are sub-contractors to the integrator prime. It is a large procurement and, thus far, is quite successful. Parallel other examples could also be cited.

The effective implementation of these initiatives would require a vigorous commitment from the DOD, including its most senior officials. I believe that such a commitment is called for at this time.

In summary, then, it would appear to me that a pro-active defense policy that seeks to maintain a healthy defense industry is essential to our national interest. Further, although the industry consolidation has progressed rapidly, the process will continue. In this respect, our concern about the cannibalistic character of vertical integration requires caution as it relates to the industry subtier. Finally, there are well-established DOD procurement practices, in place, to provide the appropriate protection, but it will

require aggressive leadership implementation to secure the best results.

I am confident we can accomplish this. After all, in the adjustment from war to peace, America has led the way in beating swords into plowshares. We have realized an enormous peace dividend in the form of R&D and production resources released to general economic development, and in this regard, we must credit government initiatives that led the way to downsizing while balancing the interests of national defense and industry viability.

Before I conclude, I should add one controversial issue that is relevant to an effective defense policy. Any discussion of the future of defense should include the critical role of trade in preventing military confrontation. As I mentioned earlier, Loral is now totally focused on commercial satellite manufacturing and satellite-based services. As such, we are deeply immersed in foreign markets, notably in China, which is a customer for our large geostationary satellites and a partner in our globalstar satellite telephone system.

In my travels to China, and in my involvement in the policy debates on global trade, as well as Loral's widespread engagement in international joint ventures, I have become increasingly convinced that expanding commerce is the best way to promote peaceful relations between our two countries and to avoid the type of isolation that can lead to military miscalculation.

In that regard, I believe it is critical that President Clinton be given fast track authority to continue his highly successful trade policy. Over the past five years, 13 million new jobs have been created in the United States, close to two million of them in new, export-related jobs that pay on average 15 percent higher wages.

Unemployment is at a 24-year low and we are now the most competitive economy in the world. Exports are up by more than \$300 billion, notably in high-technology, and we have regained world leadership in automobiles and semi-conductors. This is not the time to hamstring the President and threaten our unprecedented prosperity. Our startling economic progress is due to the combined impact of defense recycling, new technologies, improved productivity, dynamic capital markets, and a global economy. I hope that our friends in the Congress will keep their eyes on the ball and will approve the fast track legislation to keep us on the fast track to even greater prosperity.

Thank you. I will be delighted to answer questions.

#### WORDS OF POSITIVE INSPIRATION

##### HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, October 22, 1997*

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to address the topic of human life. I am deeply concerned about the lack of concern for what the Declaration of Independence calls the unalienable \* \* \* Right to Life \* \* \*. Our society today has too often ignored the sanctity of human life to the point of relegating it to someone else's choice. Trivializing human life to this extent debases our culture and erodes our fundamental respect for the self-evident right to life. As such I would like to relay the views of a constituent of mine from Greeley, CO, Miss Sonni Biundo. Her words have powerful meaning, and I think ought to positively inspire our colleagues here today assembled:

My whole life I was programmed to be pro-choice. I was told that as a woman it was my duty to protect women's rights—this included, most of all the right to have an abortion. I entered and finished college a pro-choice activist. I felt that no one had the right to tell me what to do with my body. I thought that pro-life activists who protested at abortion clinics on the nightly news were out of touch with reality, and that the poor women who joined the pro-life fight were simply brainwashed and could not think for themselves. What I didn't understand is when life begins.

That is the essential difference, and what ultimately divides the pro-choice and pro-life camps. As I have grown older, and hopefully wiser, I have begun to understand when life begins—at conception. Therefore, I am not letting government intrude on your life and instruct you on what you can and cannot do with your body—I am asking government to protect the life of a human being who has no voice. If our society cannot protect the most vulnerable in it, then where are we going?

Ask yourself some simple questions. Why is it a tragedy when someone you love suffers a miscarriage? Why do we have a name chosen for a child before it is born? Why do we touch a pregnant woman's stomach to feel movement? Why do we bring pictures from an ultrasound in to work to show our colleagues?

Before my nephew was born, I wondered what he would look like, what he would be good at, the sports he'd like, if he would be tall or short—what his dreams would be. I looked at my sister and her husband and wondered about the miracle they had created, and prayed he would have all the love he needed to get through life. I asked these questions at the very first movement, when all I could see on the ultrasound was a kidney shaped mass. He was already a child to me, already a human being with all the rights that he enjoys now.

Do I believe you are immoral for having an abortion? Yes, but you do not have to answer to me. Only to God. Do I think we can legislate morality? No. When I say it would please me to have abortion outlawed, I am not pleased because I have made you agree with me. I do not think I have made you a "moral" person by making you conform to my standards. I am pleased because a child who deserves a chance has it. A chance that we all got and have taken for granted, by simply being alive.

Mr. Speaker, these words are a good indication of the positive inspiration our country needs. It is crucial for us as a nation to rise above the selfish and politically expedient trend pervading our culture and restore the standard of a paramount value placed upon the lives of all human beings.

#### OSCAR GARCIA RIVERA POST OFFICE BUILDING

SPEECH OF

##### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, October 21, 1997*

Mr. RANGEL. Mr. Speaker, I rise today to strongly urge my colleagues to support H.R. 282, a bill that would designate the U.S. Post Office Building located at 153 East 110th Street in my district in New York, as the Oscar Garcia Rivera Post Office Building.

Mr. Oscar Garcia Rivera was the first Puerto Rican to be elected to public office in the con-

tinental United States. On March 7, 1937, he made history by becoming assemblyman of the 14th Congressional District, in the State of New York, which at that time was Harlem.

Oscar Rivera was a true leader who was committed to improving the lives of those who resided in his community. He was committed to protecting the rights of manual laborers and encouraged workers to organize themselves into active unions. However, his many contributions did not stop there.

He went on to introduce a bill guaranteeing safeguards against unemployment which was enacted into law in February 1939. He defended minimum wage laws, fought for regulated hours of labor, and worked to establish tariff agreements.

Oscar Garcia Rivera was a man of many talents. His vision of helping others to lead a better and more prosperous life, began as a young man who established the Association of Puerto Rican and Hispanic Employees within the U.S. Postal Service where he was employed, and continued throughout his entire adult life until his passing in 1969.

Mr. Speaker, I am honored and proud to be a part of this legislation honoring this outstanding and renowned individual. The life of Oscar Rivera is an inspiration not only to New York State and the Puerto Rican community, but to all people whose lives were touched in some way by his vision.

Let us salute him and pay tribute to him in this way.

#### HONORING VIRGINIA B. HARTER FOR FOUR DECADES OF DISTINGUISHED SERVICE

##### HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, October 22, 1997*

Mr. HORN. Mr. Speaker, I rise today to invite Members to join me in honoring the career of Virginia B. Harter, Assistant Commissioner, Debt Management Services, Financial Management Service, Department of the Treasury. Mrs. Harter retires from the Senior Executive Service effective October 31, 1997, after nearly 40 years of employment in the Federal service. Mrs. Harter's career consistently exceeded the high standards for superior performance and is a credit to the Financial Management Service and the Department of the Treasury.

Mrs. Harter began her career as a civil servant in 1957 with the National Security Agency. After joining the Department of the Treasury's Financial Management Service in 1959, Mrs. Harter rose through the ranks while serving in numerous important management positions. Between 1979 and 1981, Mrs. Harter served as the program manager for the design and development of the Treasury's Direct Deposit/Electronic Funds Transfer Program. As a result of this program, 53 percent of the 840 million Treasury disbursements were made electronically in 1996, saving taxpayers \$169 million. Mrs. Harter also served as the Director of the Governmentwide Cash Management Program and Director of the Credit Management/Debt Collection programs at the Financial Management Service.

In 1989, Virginia B. Harter was appointed to the position of the Chief Disbursing Officer for