

balanced budget amendment. When a bastion of conservatism such as the Wall Street Journal refers to the balanced budget amendment as a "flake-out" and "silly," I think it is time for all Members to look up and take notice.

[From the Wall Street Journal, Feb. 4, 1997]

CONSTITUTIONAL BOONDOGGLE

With President Clinton about to deliver his State of the Union Address and new budget, this is an apt moment to say that the President is right and the Republicans are wrong on item one of the GOP Congressional agenda. The balanced budget amendment is a flake-out.

The notion of amending the Constitution to outlaw budget deficits is silly on any number of counts. Politically it's empty symbolism. Legally it clutters the Constitution with dubious prose. Today's lesson, though, concerns economics and accounting. You can't measure economic rectitude by any one number, let alone the "deficit," however defined, let alone the deficit projections the proposals will inevitably involve in practice. The attempt to enshrine such a number in the Constitution is bound to prove a snare and a delusion.

The proposal passed by the Senate Judiciary Committee says that outlays ("except for those for repayment of debt principal") shall not exceed receipts ("except those derived from borrowing"). While this concept sounds simple, in fact it reflects neither accounting principles nor economic reality.

If you can balance your family budget, the thinking goes, the government can balance the federal budget. But applying the budget amendment's principles to households would outlaw home mortgages, which have proved a boon to countless families and the general economy. What a family balances is its operating budget, a concept foreign to the federal accounts. In corporate accounting, similarly, the health of an enterprise is measured by careful distinctions such as accruals or depreciation. Even the balanced budget restraints of state and local governments exclude spending on capital improvements financed by bond issues approved by voters.

The reality is that borrowing money is not a sin; it depends on how much money, and in particular on the uses of the borrowed funds. Even the amendment itself recognizes this by allowing Congress to waive the amendment by majority vote when war is declared or when a joint resolution declares "a military conflict which causes an imminent and serious military threat to national security." Other emergencies would presumably be dealt through the provision that Congress could approve borrowing by a two-thirds vote.

Republicans back the amendment because it scores well with focus group participants, who don't understand the difficulties, and with Ross Perot, who doesn't care. They also hope that limiting the government's power to borrow will force it to limit spending. Democrats seems pretty much to agree, and want to voice support for the amendment to appease focus groups while also killing it to avoid a spending straitjacket. We're not so sure.

For one thing, we've observed how European politicians, even supposedly conservative ones, have been behaving toward the budget-deficit requirements they imposed on themselves in the Maastricht agreement. To get within the numerical criteria, the Italians are taking their railroads off and on budget; the French government, in return for an infusion of funds this year, assumed pension obligations running into the far future. Governmental accounting, you see, simply counts formal government debt; it ignores unfunded governmental promises.

This is a loophole enormous enough that Rep. Fernand St Germain could drive half of the S&L crisis through it in one night in 1980, when he doubled deposit-insurance limits. Another enormous loophole is the government's ability to offload, or "mandate," costs on corporations, individuals and state and local governments without running any receipts or outlays through the Washington books. And when the bill for Rep. St Germain's coup suddenly came due in 1989, would it really have been better to avoid borrowing and put the rest of the government through a temporary wringer?

These imperfections might not matter if the amendment did no harm, but it's easy enough to imagine scenarios in which it would keep us from doing the economically right thing. Take the proposals by the most conservative bloc in the recent Social Security Commission. They would allow current taxpayers to personally invest part of what they owe in payroll tax, giving them a better return. But meeting obligations to those retiring before their benefits were funded would require a big issue of government debt. The new debt would merely formally recognize current obligations, and the privatization would dramatically reduce future obligations. Though this transaction would plainly improve the federal fisc, the balanced budget amendment would outlaw it.

Or for that matter, take the Reagan defense build-up, which led to victory in the Cold War. The balanced budget amendment would have allowed a majority to vote for borrowing if fighting broke out, but not for expenditures to deter it. Is that what we want?

And take the Reagan tax cuts, which in combination with Paul Volcker's tight money, led the country out of 1970s malaise, conquering inflation without an extended recession. Clearly deficit projections would have prevented the tax changes.

Yes, this policy mix gave us deficit, but the 1980s deficits are themselves a large part of the reason we have a new concern with budget discipline today. Indeed, it seems to us that history argues that discipline comes from forcing governments to borrow, and pay interest—instead of raising taxes or making unfunded promises or issuing unfunded mandates. Yet in the form passed by the Finance Committee, the amendment says you need a majority to raise taxes, a majority to declare a military emergency, but two-thirds to borrow.

What President Reagan understood is that if you limit taxes, spending will sooner or later have to follow. For permanent budget discipline, the best idea now on the table is Rep. Joe Barton's proposal, up for a vote in the House April 15, simply to require a two-thirds vote to raises taxes. If that should pass, nature will take its course.

We do need to get the national debt declining as a per cent of economic output. We do need to restrain federal spending. We do need to solve the Medicare crisis, as Senator Phil Gramm notes alongside. We do need to look beyond the year 2002. But these battles have to be fought one by one, and can't be solved by amending the Constitution. The concept embodied in the proposed amendment measures nothing useful; it is at best a distraction, and at worst spreads confusion that will make the right things harder to do, not easier.

CELEBRATION OF BLACK HISTORY MONTH

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1997

Mr. BERRY. I rise today in honor of Black History Month. In the early 1990's a gentleman by the name of Dr. Carter G. Woodson helped to establish a time to recognize those men and women who have made significant contributions in America. It was his hope that this would stir the conscience of this Nation and encourage the celebration of our diversity which has always been a strength and not a weakness.

The reason why I come to the floor is to tell you of the importance of African-American history and the unique role of the black struggle in this country. From generation to generation, we have countless individuals who have risen above prejudice and injustice to make a change in our country.

To produce a group of outstanding leaders such as Harriet Tubman, Thurgood Marshall, Barbara Jordan, and Martin Luther King, Jr., during a time when the odds were so overwhelmingly against them, shows the true determination of a people that succeeded against all odds to reach a dream. I speak today, because a younger generation must be told of this rich cultural heritage.

There are two men who have roots in my congressional district who come to mind as I give tribute. These gentlemen, one who blazed a trail, and another whom I believe represents the future, are both role models in this tradition.

The late Elder Famous Smith of West Memphis was a good friend who pastored the 15th Street Church of God in Christ for over 40 years. He held the position of district superintendent of his religious denomination as well as being appointed to the Mid-South Community College board of trustees by then Gov. Bill Clinton. This strong community activist labored tirelessly before his death to help everyone, especially the younger generation which he considered the "apple of his eye."

Another man I am compelled to tell you about is our incoming Secretary of Transportation, Mr. Rodney Slater. He lifted himself from the poverty stricken area of the delta to become the first African-American Cabinet member from the State of Arkansas. Because of his far-reaching contributions in the field of public service he is positioned to become a fixture in American history.

The challenge that I leave you with today is two-fold. We must commit ourselves to the learning of this great heritage and instill in our younger generation a sense of pride and hope for the future. Knowledge truly is power and we must use it for the benefit of all Americans.

TRIBUTE TO LISA FALCONE

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1997

Mr. TOWNS. Mr. Speaker, I rise today to acknowledge Lisa Falcone, a native of Brooklyn, N.Y. who has been dedicated to public service.

Presently, Lisa works for New York State Senator John Sampson, and serves as his district director. Formerly, she was employed in my office and that of former Congressman Stephen Solarz.

Lisa distinguished herself as a student at Queens College where she received a bachelor of arts degree in English. A life-long resident of Carnarsie, she has been dedicated to public and community service.

As a devoted mother, wife, and daughter, I am happy to acknowledge Lisa Falcone for her tireless efforts as a public servant.

HONORING DANNY WUERFFEL

HON. JOE SCARBOROUGH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1997

Mr. SCARBOROUGH. Mr. Speaker, I rise today to speak about a young man from my district who has achieved a level of moral, physical, and scholastic excellence that is an inspiration to young men and women across this great Nation. This young man has distinguished himself as a community leader, a team player, and a model of humility in the spotlight of success. The young man that I speak of today is Okaloosa County's own Danny Wuerffel.

I could praise Danny for distinguishing himself as one of this Nation's most renowned college scholar athletes. I could mention that Danny set 32 individual school records, 12 southeastern conference records, and four NCAA records. How Danny led the Florida Gators to four straight league championships and the university's first national championship in school history. And as a footnote, I could also add that Danny was awarded something they call the Heisman Trophy in 1996.

But in my opinion Mr. Speaker, mere athletic achievements do not rise to the level of significance to be mentioned on this House floor. Mr. Speaker, I rise today not because of what Danny Wuerffel did for 60 minutes a week during the fall of 1996, but instead for what he has done his entire life while few were watching. My close friend J.C. Watts says, "Character is what you do when no one is watching." By that standard, Danny Wuerffel has the character of a champion.

He maintained a 3.75 cumulative grade point average throughout his college career and was named the GTE Academic All-American of the Year for 2 consecutive years. As a member of the Fellowship of Christian Athletes, he became a spiritual leader for his teammates and the community, and witnessed to the world through his words and actions.

Perhaps the greatest lesson that we can all learn from Mr. Wuerffel is how to accept success and failure with humility and grace. The example of true sportsmanship that is epitomized by Mr. Wuerffel has become a rarity in athletics today. Today, as a father of two young boys who place sports stars on a pedestal, I have grown increasingly distressed by athletes' drug convictions, sexual assaults, and arrogant attitudes. In the midst of a cultural crisis, Danny Wuerffel stood out like a city shining brightly on a hill for all the world to see. As a father, I am proud to have my two young boys look up to Danny Wuerffel as a role model.

Mr. Speaker, it gives me great pleasure to honor Danny Wuerffel today. Okaloosa County, the University of Florida, and the entire Nation should follow Danny's example as a young man who has exemplified the American ideals, morals, and accomplishments, envisioned by our founding fathers. Again, this father says, "Thank you, Danny, for a job well done."

HONORING EDDIE T. PEARSON FOR 33 YEARS OF OUTSTANDING AND CONTINUED SERVICE TO DATE COUNTY PUBLIC SCHOOLS

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1997

Mrs. MEEK of Florida. Mr. Speaker, the Dade County public schools have declared February 27, 1997 as Eddie T. Pearson Day in honor of his accomplishments as one of Dade County's most outstanding educators and administrators.

It is my great pleasure to join Mr. Pearson's family, friends, coworkers, and students in recognizing his 33 years of outstanding and continuous service to our community. We congratulate Mr. Pearson for his contributions as an educator, a role model, and a mentor who helped shape the lives of thousands of children in our Dade County community.

Mr. Pearson earned a Bachelor of Science degree at Tuskegee Institute, a Master of Education from Florida Atlantic University, and a Specialist in Education degree from the University of Florida. He began his career as a teacher in Dade County at Bethune Elementary School in 1963, and then at Riverside Elementary School. In 1967, he was the Community School Director at Ada Merritt Junior High School where he was responsible for a 400 percent increase in educational programs, and 700 percent increase in other activities for youth and young adults. Mr. Pearson quickly advanced to become the Assistant Principal at Homestead Junior High School, and later became Principal of the school. He was only 26 at the time, the youngest Principal in the Dade County public schools, and he was the first Afro-American Principal of Homestead Junior High School in 1970. In addition, he served as the Principal of South Dade Senior High School and Homestead Senior High School.

Mr. Pearson distinguished himself as an outstanding administrator as Executive Director of the Division of Vocational, Adult, and Community Education with the Dade County public schools. He also served as Assistant Superintendent for the Office of Vocational, Adult, and Community Education; Administrator on Special Assignment and Assistant Superintendent for Area Operations; and Regional Superintendent of the Region VI Operations for 8 years. Furthermore, Mr. Pearson successfully designed and implemented a plan that provided for the integration of the Homestead Middle School student body. Today, Mr. Pearson continues his outstanding service as Deputy Superintendent of School Operations. We are fortunate that Mr. Pearson has devoted his life to ensuring quality education for all our children.

In addition to his many years as an educator, Mr. Pearson has been extremely active in

other areas of our community. He served as Chairman of the Board of Directors of the YMCA, and now continues to serve on the Board of Directors of the YMCA, Miami "Mega-City" Special Olympics, Pan AM Horizons Credit Union, and United Way of Dade County. His exceptional, notable service, and commitment to Dade County has included dozens of positions in numerous organizations, earning more awards than I can list here.

Mr. Eddie T. Pearson has proven to be an excellent role model for our children. Mr. Speaker, on behalf of my entire community and as a former educator myself, I offer him my deepest thanks for his many years of dedicated service, and our best wishes for his continued success.

HONORING ALICE SACHS HAMBURG

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 25, 1997

Mr. DELLUMS. Mr. Speaker, on February 22, 1997, Alice Sachs Hamburg received a well-earned recognition for her decades of work on behalf of world peace and disarmament. Long a resident of the ninth California District, Ms. Hamburg has been a tireless advocate on behalf of a cause that I hold close to my heart as well. She has been an important supporter and colleague on these issues, and I am indebted to her leadership, tireless energy, and deep-seated commitment to the issues of peace and disarmament.

Obviously our community shares this view as well, and it is in this spirit that she is being honored by the Jane Addams Peace Association of the Women's International League for Peace and Freedom [WILPF].

She has been on the frontlines of progressive activism in the bay area for a half-century. Nurtured by her Lithuanian Jewish immigrant parents on a drought-plagued North Dakota homestead, she came to know the meaning of struggle and the cycles of the land. Her connection with the land ripened during her marriage to the late Sam Hamburg, an innovative California farmer.

In explaining her activism with WILPF against the United States war effort in Vietnam, she said: "It was like breathing or feeding your children. We didn't think there was any alternative." As the mother of three children, Ms. Hamburg's family life and activism, were intertwined.

Inspired to make their lives better by building a better community and bringing reconciliation among nations, she became active in efforts to integrate Berkeley's public schools, participated in demonstrations against atmospheric nuclear weapons tests that poisoned the milk her children would drink, organized public vigils to bring the Vietnam war to an end and to halt the war effort in Nicaragua, and to oppose a rising tide of animosity against programs dedicated to bringing equal opportunity to all of our Nation's people.

Ms. Hamburg has worked for decades with countless local and national coalitions, but her base of operations has long been WILPF, Women for Peace, and the Agape Foundation for Nonviolent Social Change. The key, she