

U.S. investment in plant and equipment has declined since 1985. While we continue to lead the world in spending on research and development, our long-term investment as a percentage of our total wealth is falling just as other competitor nations are increasing their programs. While we spend more money than other countries on education, most of the education experts say that our overall performance, especially in the basic science and math skills, is disappointing. And productivity growth in the United States has been less than 1% over the past decade. That is the second lowest rate among the major industrial countries.

## PRIORITIES

It is not difficult to identify where our national priorities in economic policy should be. The education and skill levels of the workforce need to be improved. Savings and investment must increase. The budget deficit has to continue to come down to increase savings, and science and technology policy and regulatory reform need urgent attention.

Looking to the future, what worries me the most is the increasing performance of the world's lower-wage economies. They are now competing more effectively in global markets. I worry about our ability to sustain high-wage jobs in that kind of competitive environment. The challenge from these countries is both direct competition in product services but also with firms which might otherwise be located in the United States moving to these countries. I think we have to focus much more urgently on boosting productivity, stepping up the rate of private sector investment, and improving and broadening the skills of the American work force.

## CONCLUSION

The U.S. economy has improved in recent years, but more needs to be done. We especially need to bring the budget deficit down further and expand our investment in education, research, and infrastructure. These help build the foundation for the long-term economic health of our country, and should help improve the lives of average working families.

## IRISH-AMERICAN PARADE

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 12, 1997*

Mr. SCHUMER. Mr. Speaker, I submit the following for the RECORD:

Resolution for the 22d Annual Brooklyn Irish American Parade, Park Slope, New York

Commending the Brooklyn Irish American Parade Committee on its Twenty Second Annual Parade March 16, 1997.

Whereas this parade encourages an appreciation of an ancient Irish heritage; and

Whereas this event is a celebration of Brooklyn's cultural diversity and richness; and

Whereas this parade takes place on the historic site of the Battle of Brooklyn in which Irish Freedom Fighters—Marylanders and other ethnic groups gave their lives to secure independence for our America; and

Whereas the Spirit of '76 was, and still is, the ideal of the Brooklyn Irish American Parade; and

Whereas this year the Parade Committee, its members and officers remember "The Great Famine" (An Gorta Mor) 1845-1850 and Erin's Exiles; and

Whereas "The Great Famine" caused the death of over 1,500,000 in Ireland and tens of

thousands on the coffinships which sailed to America; and

Whereas America is a nation of immigrants and a home to the descendants of the victims and survivors of "The Great Famine" and the Irish Diaspora; and

Whereas it is only fitting that this year's Grand Marshal is Father Colm Joseph Campbell of North Belfast, Chaplain & Co-Ordinator of the Irish Apostolate, Diocese of Brooklyn and Queens and a friend and spiritual counselor to the newest sons and daughters of Erin; now therefore, be it

*Resolved*, That this Legislative Body pause in its deliberations to commend the Brooklyn Irish American Parade Committee on its twenty second Annual Parade to be held on Sunday, March 16, 1997; its Grand Marshal, Father Colm Joseph Campbell, Chaplain & Co-Ordinator of the Irish Apostolate, Diocese of Brooklyn and Queens and his Aides; Eleanor Morrissey, Ladies A.O.H. Kings County; Brian Joseph Coughlan (Irish Culture) Pipe Major, Pipes & Drums of the NYC Police Department Emerald Society; Edward J. Cush (Labor/Business) Iron Workers Union Local #361; Vincent O'Connor (Education) Retired District Supervisor Board of Education; Treasa Goodwin (Gaelic Sports) N.Y. Young Irelands Camogie Club; Cody McCone (Kings County Ancient Order of Hibernians); John McGrath (Grand Council United Emerald Societies/Sanitation Dept.); Parade Chairperson, Kathleen McDonagh; Dance Chairperson, Eileen O'Dea; Journal Chairperson, Martin Cottingham; Raffle Chairperson, Ronnie Killen; Parade Officers, Members and all the citizens of Brooklyn, participating in this important and memorable event; and be it further

*Resolved*, That copies of this Resolution, suitably engrossed be transmitted to Father Colm Joseph Campbell, his Aides and the Brooklyn Irish American Parade Committee in Brooklyn.

## HONG KONG REVERSION ACT

## SPEECH OF

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 11, 1997*

Mr. RADANOVICH. Mr. Speaker, on July 1, 1997, Hong Kong concludes one challenging but prosperous chapter, and inaugurates another of equal potential. While continued prosperity marks Hong Kong's future, a thriving economic, and autonomous course is not guaranteed under the shadow of mainland China's stale political and economic policies. The United States must strive to assist Hong Kong and its people in preserving and pursuing economic and political values so close to our own.

Thus, I support the objectives of H.R. 750, the Hong Kong Reversion Act. This bill reiterates an unyielding support for the autonomy of Hong Kong and future well-being of its people. The act is not insignificant. For the benefit of my colleagues in understanding the importance of this measure, I include for the record April Lynch's analytical account in today's San Francisco Chronicle. The author skillfully catalogs the concerns Californians have respecting Chinese rule over Hong Kong. Let us hope, Mr. Speaker, that our action today is clearly understood in Beijing. The Hong Kong people deserve no less than our unwavering support.

[From the San Francisco Chronicle, Mar. 11, 1997]

BAY AREA'S BIG STAKE IN HONG KONG—ECONOMIC, CULTURAL TIES AT RISK UNDER CHINA RULE

(By April Lynch)

When the flag of the People's Republic of China is raised over Hong Kong this summer, few other places will have more at stake than the Bay Area and California.

A web of multimillion-dollar businesses, strong cultural ties and 150 years of shared history link the Gold State and the City on China's southern coast. Hong Kong and San Francisco, founded about the same time, have long exchanged money, people and plans for the future of the Pacific Rim.

"California and Hong Kong are like neighbors, even with an ocean in the middle," said Richard So, 29, a computer consultant who grew up in Hong Kong, went to school in this country and now commutes to work between Sunnyvale and Hong Kong. "It is hard to imagine one without the other." The Bay Area is a favorite destination for people leaving Hong Kong for the United States—since 1993, 25 percent of them settled in San Francisco, Oakland or San Jose.

With only 6 million people, tiny Hong Kong is California's ninth-largest export market, buying about \$2.6 billion in goods from the state in the first nine months of last year. China, by comparison, has one-fifth of the world's population but ranks 16th on California's list of export buyers. More than 100 California companies—including Bank of America, Walt Disney and Netscape—have offices or their Asia headquarters in Hong Kong.

Now, four months before Britain turns one of the world's most lively capitalist hubs over to the world's biggest communist country on July 1, those ties face an uncertain future.

People with business or family links to Hong Kong hope that China will allow the territory to remain an economic powerhouse, and many Chinese and Chinese Americans take pride that Hong Kong's transition will all but end the Western colonial presence in China. But those feelings are tempered with caution.

"Hong Kong will continue to be of paramount importance," said Jesus Arredondo, spokesman for the California Department of Trade. "It all depends on what the Chinese government does."

## COLONY'S ESTABLISHMENT

Since the mid-1800s, California and Hong Kong have never been far apart. Once a few scattered fishing villages, Hong Kong was seized by Great Britain in 1842, after the first Opium War. The colony's establishment encouraged foreign interests that wanted trade and influence in China, but it was a humiliation China has never forgotten.

Britain expanded the colony in 1860 with the Kowloon Peninsula and the New Territories in 1898 and along the way turned Hong Kong into a major international port. San Francisco interests quickly looked to Hong Kong to recruit laborers to work the state's gold mines and the railroads.

Trade, travel and immigration between Hong Kong and California grew—especially after the colony rebuilt from the devastation of World War II and became Asia's financial hub. Hong Kong now has about as many people and covers as much territory as the Bay Area, but it boasts the world's eighth-largest trading economy and stock market, the world's busiest container port and 9 million visitor-arrivals each year.

The mix of Chinese and foreign residents—about 120,000 people in Hong Kong are from other parts of the world, including the United States, England, India, the Philippines

and Vietnam—has created a striking cultural blend. A day in Hong Kong can easily mean speaking more than one language at work, choosing between Shanghai, Italian or Indian cuisine for dinner, playing a mean game of billiards and finishing the night with a plate of chow fun at a street-corner stall.

The Chinese Communist party stopped short of seizing the colony when it took control of China in 1949 but always made it clear that it wanted Hong Kong back in 1997, when a key lease that gave Britain most of the territory was to expire. In 1984, the two countries reached a deal that would return Hong Kong to China in 1997 but allow the territory remain a "special administrative region" with its basic systems intact for 50 years.

#### TIANANMEN CRACKDOWN

Goodwill about that plan fell apart with the Tiananmen Square crackdown in 1989. More than 1 million people filled Hong Kong's streets to protest the bloodshed. Emigration from the colony jumped, and many of Hong Kong's business leaders began moving their holdings or strengthening ties overseas, including in California.

Take, for example, Jimmy Lai, the Hong Kong founder of the Giordano clothing chain and publisher of several popular magazines and newspapers. Giordano recently followed many Hong Kong companies in moving its incorporation to Bermuda, and Lai has expressed interest in investing in Silicon Valley. He has good reason to want to expand his business overseas.

After the Tiananmen Square crackdown in Beijing, Giordano printed up tens of thousands of bright red bumper stickers decrying the bloodshed and distributed them for free. The stickers became a must-wear item at the huge protests that filled Hong Kong streets. In 1994, Chinese officials shut down Giordano's Beijing store after Lai wrote a magazine editorial describing Chinese premier Li Peng as a "turtle's egg with a zero IQ." Lai resigned as chairman of Giordano shortly thereafter.

Lawrence Chan, head of the Hong Kong-based Park Lane Hotels International chain, owns both the Parc Fifty Five Hotel in San Francisco and the Parc Oakland hotel. He said the people who drive Hong Kong's economic machine will take a constructive but cautious approach to the transition.

"As businessmen in Hong Kong, we don't listen much to rhetoric," said Chan, who is also president of the Hong Kong Association, a prominent local business group. "We look for what is going on. We look for actions. . . . Recently, we have been seeing the Chinese government pouring huge amounts of capital into Hong Kong, and that is encouraging. China has a huge stake in Hong Kong's future."

#### CORRUPTION WORRIES

Some China watchers are not so optimistic. There are worries that the corruption that has accompanied China's economic reforms will spill into Hong Kong and that the Chinese government will be fundamentally uncomfortable with having so much free enterprise and private property within its borders.

"I can't see Hong Kong operating at its current level once China takes over," said George Lee, professor of international business at San Francisco State University. "The Communist officials are going to try to control everything they can get their hands on."

Those worries go beyond big business and multinational corporations to the crowded highrise neighborhoods and outlying islands where most of Hong Kong's people live. Hundreds of thousands of Chinese emigrants

have passed through Hong Kong on their way to the United States since 1850, with a sharp increase after anti-Chinese immigration restrictions were lifted after World War II.

Thousands have chosen the Bay Area as their new home—about 20,000 in the past 10 years, according to U.S. immigration statistics.

For many Hong Kong immigrants, the coming changes bring concern for friends and relatives still there.

Underneath its fancy facade, Hong Kong is an expensive place to live. A small flat in a crowded jumble of concrete highrises can cost hundreds of thousands of dollars, and many families have worked for decades to buy a home or business. Now, with the handover, people worry that their friends or family see the life they have built slip away.

"There is a lot of apprehension and mixed feelings," said Rose Pak, spokeswoman for San Francisco's Chinese Chamber of Commerce, who was born in Hong Kong and moved here in 1967. "There is pride in reuniting with China. But no one wants to see people there lose their property, or their freedom to travel or speak their mind."

Still, people in California know there is not much they can do. China's economic modernization in the past decade gives some faith that the Chinese government will shore up Hong Kong, not undermine it. Any unraveling of Hong Kong's economic might would also be a huge loss of face for Beijing, where many Chinese leaders want to show the world they can improve on the way Great Britain ran the colony.

"There is so much there worth keeping and expanding on," said So, the computer consultant. "The big highrises with their wild architecture that stand over little markets a few streets away, and the harbor full of big tankers next to old Chinese junks and fishing boats. It can be a crazy place, but it is always exciting. I hope it will all survive."

#### HONG KONG AT A GLANCE

Hong Kong is about the same size and has about as many people as the Bay Area—but the territory has become one of the world's economic powerhouses. Its pivotal role in the economies of Asia and the Pacific Rim, as well as Hong Kong's long-standing cultural ties to California, give the Bay Area a huge stake in Hong Kong's future.

Population: 6.2 million.

Origins: Once a group of quiet Chinese fishing villages, Hong Kong was seized by Great Britain in 1842 following the first Opium War. Great Britain expanded the size of the colony in 1860 with the Kowloon Peninsula and the New Territories in 1898.

Economy: Hong Kong has thrived on unfettered capitalism, with an import-export economy driven by its huge harbor, powerful banks, many small factories and busy stock market. The colony exported about \$150 billion worth of goods all over the world in 1994.

Politics: Hong Kong is run by a British governor, a locally elected legislature and a powerful civil service. China has been increasing its influence behind the scenes in recent years. Following the Tiananmen Square crackdown in 1989, a million Hong Kong people took to the streets to protest the bloodshed and to call for greater democracy.

Culture: Hong Kong's population has always been predominately Chinese, but expatriates from all over the world have long flocked to the colony. The mix has created a blend of cultures and traditions that exists nowhere else. Many of Asia's top artists, film-makers, chefs and designers have come from Hong Kong.

Dollars to California: Hong Kong is California's ninth-largest export market, importing \$3.8 billion in California goods in 1995. Top

goods purchased included electronics and industrial machinery. Exports to Hong Kong support more than 70,000 jobs in the state.

California, a favorite destination: In recent years, about 25 percent of all immigrants from Hong Kong to the United States settled in the Bay Area. Hong Kong has been a major point of departure for hundreds of thousands of immigrants headed to California for 150 years.

The future: China will retake control of Hong Kong on July 1 under an agreement reached with Great Britain in 1984. The plan called for making Hong Kong a special region within China and leaving Hong Kong's systems in place for 50 years. Since then, however, China has moved to replace the elected legislature with one made up of representatives approved by Beijing and will undo parts of a Bill of Rights passed four years ago. Chinese leaders continue to say Hong Kong's economy and other systems will be left untouched.

#### TRIBUTE TO MAGNUS ELLEN, SR.

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 12, 1997

Mr. PASCRELL. Mr. Speaker, I would like to bring to your attention the memory of Magnus Ellen, Sr. of Passaic, NJ, who passed away recently on February 25, 1997.

Magnus' life was one of dedication and commitment to the community, serving the city of Passaic as its only African-American councilman and as a member of the board of the United Passaic Organization, the city's branch of the National Association for the Advancement of Colored People.

As well as being a community activist, Magnus also served the community as deacon of St. Paul Baptist Church, and as chairman of the board of directors at St. Paul Baptist Church for two decades. Through his involvement in the community, Deacon Ellen—as he was affectionately known—led several city-wide improvement campaigns which included an antilitter program that saw the participation of hundreds of residents and students picking up trash from the city's streets while city officials were debating the management of the program.

A giving and honest man, Deacon Ellen never turned away those in need of help and even unofficially adopted two young musicians from St. Paul Baptist Church, who were members of the Inspirational Choir, a program organized by Deacon Ellen. Another popular church program begun by Deacon Ellen is the annually celebrated, Youth Day.

In addition to being a community activist and a man of God, Deacon Ellen was also a traveler who counted as one of his greatest personal achievements, a trip made to Jerusalem nearly two decades ago.

Deacon Ellen and his wife, Christine, who passed away 4 years ago, had raised a loving family of five children including Magnus, Jr., a retired Passaic detective, and Carl, owner of the Ellen Agency, his insurance company.

Deacon Ellen was planning to remarry on August 2, of this year to his fiancée, Loretta Bradley.

Surviving Deacon Ellen are his five children, a sister living in Chicago, and many grandchildren and great-grandchildren.

Mr. Speaker, I ask that you join me, our colleagues, Deacon Ellen's fiancée Loretta, his