The court ordered India's Central Bureau of Investigation to investigate the killing of little Arvinder Singh and to submit its report promptly.

''If India has to murder a 3½-year-old child to keep its brutal, corrupt empire together, then freedom for Khalistan cannot be far behind,'' said Dr. Gurmit Singh Aulakh, President of the Council of Khalistan. Khalistan is the Sikh homeland which declared its independence on October 7, 1987. ''This incident is a clear reflection of the immorality of the Indian regime and the character of the Punjab Police, who do not hesitate to kill their brothers and sisters to make themselves rich,'' Dr. Aulakh said. ''They do not realize that they are pushing future generations into the darkness of continued repression,'' he added.

Dr. Aulakh called on the U.S. government to take strong measures to punish this brutality. ''I urge the Administration and Congress to cut off U.S. aid to India, place an embargo on India like the one America had on South Africa before Apartheid ended, and support freedom for Khalistan and all the other freedom-seeking nations of the subcontinent,'' he said. ''This kind of brutal repression is unacceptable. Freedom-loving nations like the United States must not tolerate it,'' he said.

''If Indian police are killing toddlers like Arvinder Singh and labelling them as terrorists,'' Dr. Aulakh said. ''Then the world has a moral and legal obligation to isolate India until they are ready to join the ranks of civilized nations and peacefully end its occupation of Khalistan and other South Asian nations; so that democracy in South Asia can be a reality and not a well cultivated lie.''

PERSONAL EXPLANATION

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. BALLENGER. Mr. Speaker, had I been present for rollcall votes 72, 73, 74, and 75 last week, I would have voted ''yea.'' I am a cosponsor of H.R. 1003, the Assisted Suicide Funding Restriction Act of 1997, and applaud the leadership for bringing it to the floor for early adoption.

REDESIGNING THE SYSTEM

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. ARCHER. Mr. Speaker, on behalf of myself and my good friend, the distinguished Majority Leader DICK ARMEY of Texas, I would like to submit for the RECORD an OP–ED on tax reform that ran in today's Washington Times. Today is the Federal income tax filing deadline for all Americans. Every April 15, we are reminded how much of our incomes are taken by the Federal Government and how long it takes us to figure out how much we owe.

Congressman ARMEY and I are united in our dislike for the current tax system. It is unfair, burdensome, complicated, and inefficient. We need a system that is far simpler, fairer, honest, encourages growth and rewards savings and investment.

The American people overwhelmingly favor a change in the current system, but we cannot radically overhaul our flawed income tax without the President joining our efforts. On April 15, tax day of 1997, the distinguished majority leader and I submit our OP–ED for the RECORD to let America know we stand on the side of real, substantial tax reform.

REDESIGNING THE SYSTEM

(By Bill Archer and Dick Armey)

Along with the millions of Americans who have struggled to meet the April 15 income tax filing deadline, we support overhauling today's federal income tax. While the April 15 deadline reminds us all of our cumbersome tax system, its problems are with us every day of the year.

Last month's Federal Reserve decision to raise interest rates amounts to a devastating indictment of our current tax system. In effect, the Fed declared that in our current tax and regulatory environment, we are unable to handle anything more than a meager 2.4 percent growth rate without risking higher inflation.

This, to us, is unacceptable. Rather than resigning ourselves to continuing low growth rates, we believe it is time for bold change. When Congress' Joint Committee on Taxation invited a diverse group of economists to consider tax reform, everyone agreed our economy would grow faster with either a national consumption tax espoused by Bill Archer, chairman of the tax-writing Ways and Means Committee, or under House Majority Leader Dick Armey's flat tax. We must replace our existing tax code with a system that is fair, honest, vastly simplified and more conducive to economic growth.

Our current tax system is complicated and unfair—it must be eliminated. It imposes, by conservative estimates, $200 billion in annual compliance costs and immeasurable anxiety on American taxpayers. By punishing work, savings and investment, the current code hampers the creation of new and better jobs and reduces growth in take-home pay. In addition, due to high taxes, last year it took average American workers until May 7 to earn enough to pay their federal, state, and local tax bills.

Not only is our tax code burdensome, it is also fundamentally unfair. The current federal income tax is riddled with special-interest loopholes that allow people with similar incomes to pay vastly different amounts in taxes. According to a recent IRS study, some people earning more than $200,000 a year pay no taxes at all.

Even if you do have to pay taxes, chances are you are not paying the correct amount. Money magazine hired 45 professional tax preparers to fill out a hypothetical family's 1996 return and they gave 45 different answers, for how much that family owed in taxes. In fact, only a quarter of the tax preparers came even within $1,000 of the actual taxes due. Mistakes and inequity are inevitable so long as we keep our ridiculously complicated code.

We have and will continue to discuss our respective proposals to fundamentally restructure how the federal government collects taxes and how we can work together to replace the current tax system. As a result of our discussions, we have reaffirmed our support for legislation to completely replace the current tax system with a new, simple and fair system that:

Applies a single, low rate to all Americans.

Requires a supermajority of both chambers of Congress to raise taxes.

Provides tax relief for working Americans.

Protects the rights of taxpayers and reduces tax collection abuses.

Eliminates the bias against savings and investment and promotes economic growth to create jobs and opportunities for our children and our grandchildren.

We are committed to working together to elevate the debate on comprehensive tax reform and to lay the groundwork in Congress for the enactment of tax reform legislation that meets these principles. Unfortunately, the Clinton administration has so far shown an unwillingness to substantially change our federal income tax. In February, the congressional leadership wrote the president urging him to submit a tax overhaul proposal by May 1. We will continue to ask the Clinton administration to face up to its obligation to beleaguered taxpayers and offer its own tax reform proposal.

Eliminating the current tax system and replacing it with a simpler, fairer, pro-growth system won't be easy. A recent study showed that Washington's lobbying industry employs 67,062 people, making it the largest private sector employer in the nation's capital. The livelihood of these well-funded special interests depends on preserving their favored treatment in the tax code. If we want to enact meaningful tax reform, America must prevail over Washington special interests.

While we may prefer slightly different paths to reach true tax reform, we stand firmly united in our resolve to replace today's antiquated tax system. There is no greater legacy we can leave our children.

TRIBUTE TO MS. EARTHA KITT

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to one of South Carolina's outstanding natives, Ms. Eartha Kitt.

Ms. Kitt's personal story reminds me of the famous Harlem Renaissance poet Langsten Hughes who posed the question, ''What happens to a dream deferred? Does it dry up like a raisin in the sun? Of fester like a sore—And then run? Does it stink like rotten meat? Or crust and sugar over—like a syrup sweet? Maybe it just sags like a heavy load. Or does it explode?''

Luckily, Eartha Kitt never considered deferring her dreams. Born on a cotton plantation in South Carolina, the young Eartha Kitt left the South to live with an aunt in New York at the age of eight. It was there that she blossomed into the magnificent entertainer she is today.

She has danced and sung her way to become one of the country's consummate cabaret performers, taken Broadway and the Silver Screen by storm, and amassed accolades from Tony, Emmy, and Academy Award nominations to receiving her own star on Hollywood Boulevard's Walk of Fame.

Ms. Kitt has also demonstrated her outspoken dedication to her strongly held beliefs. Her vocal opposition to the Vietnam war at a White House luncheon in 1968 resulted in her being blacklisted by the American entertainment community. That setback didn't stop Ms. Kitt from taking her act overseas where she still has a devoted following.

I applaud and commend the contributions this South Carolina native has made to the entertainment industry. Her inspiring career, which had its humble beginnings on a cotton plantation in the deep South, has enchanted audiences around the world. As a result of her accomplishments, Eartha Kitt has become a living legend.

Today, on behalf of the State of South Carolina, I offer a word of thanks as Ms. Kitt embarks on a performance from her heart. This week she participates in a special homecoming performance of Walter Rutledge's ''SOULS—The Calah'' benefiting Benedict College in Columbia, SC. Ms. Kitt's extraordinary talents, which have endeared this woman of the South to an international audience, will now be showcased for those back home.

I join with all South Carolinians in thanking Eartha Kitt for the example she has set, the accomplishments she has achieved, and the contributions she has made to our cultural livelihood. Her life as a testament to what one can achieve if their dreams are not deferred.

IN PRAISE OF CREDIT UNIONS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. KUCINICH. Mr. Speaker, I rise to praise credit unions. Credit unions do not charge exorbitant bank fees; they do not have excessive account minimums. They make low interest loans, mainly to their members in the communities in which they live. Credit unions are run by their members, who have a voice in the operation and policies of their credit union.

Small businesses depend on credit unions for those reasons because offering credit union membership as a benefit to prospective employees is a benefit which workers value.

Credit unions are very small compared with banks. The average credit union has less than $28 million in assets—less than one-sixteenth the assets of the average bank. The two largest U.S. banks—Chase and Citibank—combined have more assets than all 12,047 credit unions combined.

Credit unions are modest compared to banks. Banks today control nearly every dollar in savings—93 percent—and in loans—94 percent—in the United States.

Banks overshadow credit unions by market share and profitability, as was recently detailed in the March 14, 1997, edition of the American Banker, ''Commercial Banks Set $52 Billion Profit Record Last Year, FDIC Says.'' I commend it to my colleagues.

[From the American Banker, Mar. 14, 1997]

COMMERCIAL BANKS SET $52 BILLION PROFIT RECORD LAST YEAR, FDIC SAYS

(By Dean Anason)

WASHINGTON.—The banking industry earned a record $52.4 billion last year, although losses on consumer loans continued to grow.

The Federal Deposit Insurance Corp. said Thursday that the nation's 9,528 commercial banks earned $13.7 billion in the fourth quarter, up 14.5% from the same period a year ago.

For the year, profits rose 7.5% despite the $650 million banks paid to help rescue the Savings Association Insurance Fund.

Profits were driven by noninterest income from fees and service charges, which increased 13.5% in 1996 to $93.6 billion. Interest income rose to $162.8 billion, but at half the rate of noninterest income.

Despite the record profits, FDIC Chairman Ricki Helfer described as ''worrisome'' the yearend statistics on consumer loans, particularly credit card loans.

Net loan losses rose to $15.5 billion, a 27% increase from 1995. Credit card loan writeoffs accounted for $9.5 billion of that total.

''We have seen both delinquent and noncurrent consumer loans increase at the same time that chargeoffs have risen dramatically,'' Mrs. Helfer said. ''Chargeoff rates are approaching the levels reached in the last recession.''

Commercial banks wrote off 2.29% of their consumer loans, compared with 1.73% in 1995. Credit card writeoffs amounted to 4.3% in 1996, up from 3.4% the previous year. Write-offs reached 4.72% in the fourth quarter.

The doubling of credit card loans in the past four years and rising personal bankruptcy filings only exacerbate concern, Ms. Helfer said.

Ms. Helfer declined to say whether banks should tighten their credit card lending standards more, but she cautioned that banks must be ''very careful'' in making assumptions about a very unpredictable line of business. Further, she warned against underestimating risk caused by liabilities from credit card loans that have been securitized.

Not all loan categories performed poorly. Commercial and industrial loans rose 7.3 percent to $710 billion, and real estate loans jumped 5.5 percent to $1.1 trillion.

Average return on investment approached record levels, rising to 1.19 percent in 1996 from 1.17 percent in 1995. Nearly 70 percent of banks equaled or surpassed the traditional benchmark 1 percent ROA.

The industry's asset growth slowed for the second year in a row, increasing 6.2 percent to $266 billion in 1996. Assets had grown at annual rates of 7.5 percent and 8.2 percent in the two prior years. Ms. Helfer described that as ''probably a good sign'' considering that rapid asset growth in the late 1980s and early 1990s foreshadowed industry downturns.

The bank deposit insurance fund topped $2 trillion for the first time and reached reserves of $1.34 for every $100 of insured deposits at the end of 1996. After a $4.5 billion capitalization in October, the thrift fund achieved reserves of $1.30 for every $100 at the end of the 1996, versus 55 cents per $100 six months earlier.

A slowdown in merger activity and rising numbers of new banks caused the smallest quarterly decline in commercial banks in 11 years, according to the FDIC. Only five banks and one thrift failed in 1996, the fewest since 1972.

Echoing recently released figures by the Office of Thrift Supervision, the FDIC reported healthy thrift profits, too. The nation's 1,924 savings institutions earned $7 billion in 1996 despite spending $3.5 billion to capitalize the thrift fund.

INTRODUCING THE CORPORATE RESPONSIBILITY ACT OF 1997

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 15, 1997

Mr. VISCLOSKY. Mr. Speaker, today I am introducing legislation that will cut an estimated $35.3 billion in corporate welfare over the next 5 years. My bill, the Corporate Responsibility Act of 1997, eliminates or reforms 12 Federal programs that currently use billions of taxpayers dollars to subsidize corporate America.

I am introducing this legislation because I am extremely concerned about the hundreds of billions of taxpayer dollars spent every decade on special interests and Fortune 500 corporations. Estimates of current total corporate welfare expenditures range from $200 billion to $500 billion over 5 years, money that would go a long way toward balancing the budget and investing in our future. Last year, the Congress passed important legislation to reform the welfare system. It is time to reform the corporate welfare system by getting dependent companies off the Government dole.

In the 104th Congress, I introduced similar corporate welfare legislation. That bill, H.R. 3102, took aim at seven of the worst corporate welfare programs in the Federal budget, including the Market Promotion Program, the U.S. territorial possessions tax credit, and the Export Enhancement Program. I was extremely pleased when legislation was signed into law last year, Public Law 104–188, that eliminated the territorial possessions tax credit. Eliminating this program, which gave companies a tax break for sending good U.S. job abroad, will save taxpayers $10.6 billion over the next 10 years.

While the premise of my new bill remains the same—to reduce corporate welfare—I have expanded the scope of my legislation, and added a lockbox mechanism to ensure that all savings and revenue go directly toward deficit reduction. This bill would save $35.3 billion over 5 years by ending eight corporate welfare programs and reforming four others. Because I've limited this legislation to the most egregious examples, my bill is a litmus test for anyone is serious about ending corporate welfare. In short, this bill puts a balanced budget, jobs, education, and a clean environment ahead of handouts to Fortune 500 companies and special interests.

The legislation I am introducing today represents an important step in the effort to end wasteful spending and balance the Federal budget. I urge you and my other House colleagues to cosponsor and support the Corporate Responsibility Act.

The Corporate Responsibility Act of 1997 would:

Eliminate the Export Enhancement Program [EEP]: The U.S. Department of Agriculture [USDA] subsidizes the export of agricultural commodities by paying exporters cash bonuses to export agricultural products. Since its inception in 1985, EEP has paid out more than $7 billion in bonuses, mostly to giant agribusinesses. Taxpayers should not be asked to hand out these corporate giveaways or subsidize the purchase of food products by foreign consumers. Estimated savings: $2.1 billion over 5 years.

Eliminate the Market Access Program [MAP]: USDA subsidizes foreign advertising costs of multinational and U.S. corporations, such as McDonalds and Wrangler. MAP—formerly known as the Market Promotion Program—funds consumer-related promotion of products through trade shows, advertising campaigns, commodity analysis, and training of foreign nationals. Taxpayers should not be asked to pick up the tab for the advertising costs of large companies that can afford to advertise on their own. Estimated savings: $350 million over 5 years.

Overhaul the 1872 Mining Act: Allowing foreign companies to buy public land for $2.50 per acre and pay no royalties on the valuable minerals extracted is a license to steal that should be revoked. Many of the mining interests that benefit from this system are not even U.S. companies. My bill would establish a leasing system and require these companies to pay an 8-percent royalty on the valuable