

THE HONORABLE FRITZ E.  
LAWAETZ

**HON. DONNA M. CHRISTENSEN**

OF VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2005*

Mrs. CHRISTENSEN. Mr. Speaker, I rise to pay tribute to a native son of the Virgin Islands, affectionately known as "The Bull from Annaly," the Honorable Frits E. Lawaetz, who passed away early this month. Senator Lawaetz was a true legend in our Caribbean American territory as a successful rancher, businessman, legislator, community leader, churchman and family man.

Born in Little La Grange, St. Croix on October 5, 1907, Senator Lawaetz was the son of Carl and Marie Lawaetz. A tall and imposing figure who was larger than life, Senator Lawaetz was fluent in English, Danish, Spanish and "Crucian." He was educated in Denmark and apprenticed to Danish farms until his return to St. Croix in 1925. He worked in various roles in the sugar industry as a cowboy and a manager in St. Croix at the La Grange Sugar Factory and in Puerto Rico at the United Puerto Rico Sugar Company.

Mr. Speaker, In 1940, Senator Lawaetz became the General Manager of Estate Annaly, owned by the late Ward Canady. There, he developed the largest private agricultural concern in the Virgin Islands with a 400-acre sugar cane farm and a 1500-head cattle ranch. He was instrumental in developing the famous "Senepol" brand of cattle, a world recognized sturdy breed of cattle in 1954. He began an export business, exporting bulls throughout the Caribbean, helping to improve the regional stock.

In partnership with Canady and his eldest son Hans, Senator Lawaetz founded Annaly Farms in 1964. He formed the Virgin Islands Senepol Breed Association in 1977 and served on its board until 1988 when headquarters for the association moved to the United States and became the Senepol Cattle Breeders Association with 500 breeders worldwide. The association now exports cattle, semen and embryos of the hardy breed to Australia, Africa and the Far East. The Breeders Association has honored Senator Lawaetz by naming its highest award the Frits Eduard Lawaetz Lifetime Achievement Award.

Mr. Speaker, an avid sportsman, Senator Lawaetz founded the Annaly Athletics in the 1950s, which sent seven local athletes on to play professional baseball, including major leaguers Joe Christopher (Mets) Julio Navarro (Tigers) and Elmo Plaskett (Pirates).

Serving for 20 years in the Legislature of the Virgin Islands, Senator Lawaetz was first elected in 1954 under the new Organic Act. He served from 1955 to 1970 and then again from 1974 to 1979, before retiring at the age of 71. He was known as the "People's Senator" and is still the longest serving senator from St. Croix. Married to childhood sweetheart, Bodil Tornoe for 63 years until her death in 1999, Lawaetz had three sons, Hans, Bent and Frits (deceased) who followed his footsteps in agriculture and community service.

Mr. Speaker, Senator Lawaetz received many honors and commendations in his distinguished life including being named to the order of the Commander of the Danneborg be-

stowed on him by the Queen of Denmark who he hosted on her visit to the Virgin Islands in May, 1976. He was named to the "Personalities of the Caribbean", the International Guide to Who's Who in the West Indies, Who's Who in American Politics, Who's Who in the South and South West and the Notable American Award. He served as a Delegate to the 1980 Democratic Presidential Convention. In 1982, the Lagoon Street Homes in Frederiksted were named in his honor in recognition of his efforts in their establishment and for his many years of dedication to the people of the Virgin Islands.

Senator Lawaetz also received the Distinguished Service Award from the Virgin Islands Chapter of the Boy Scouts of America, the Outstanding Service Award from the Holy Trinity Lutheran Church in Frederiksted, and he was appointed by the Danish Council Blak of the Virgin Islands as Honorable Trustee of Danish Cemeteries on St. Croix. In 2000, a book on his life, entitled "The Bull From Annaly" was written by Priscilla Watkins.

Mr. Speaker, until recently, Senator Lawaetz could be seen at every significant community activity. He will be missed by many. I will personally miss his words of advice, or praise or caution, whichever he felt was needed and which was always generously given. His memory will always loom large in my mind and in that of the entire Territory. His many contributions will endure as a lasting legacy for the benefit of many generations to come. One can truly say that the Virgin Islands is a better place because he passed this way.

Mr. Speaker, on behalf of my family, staff and the entire Virgin Islands community I extend condolences to his family and friends and our enduring gratitude for his service to the U.S. Virgin Islands, Denmark and the United States of America.

RECOGNIZING THE  
CONTRIBUTIONS OF BOB ABBEY

**HON. JON C. PORTER**

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2005*

Mr. PORTER. Mr. Speaker, I rise today to recognize the contributions of Bob Abbey. Bob recently announced his retirement from 32 years of Government service—25 years with the Bureau of Land Management (BLM) alone—a career that all Americans should thank him for.

I represent a State where the Federal Government owns and controls almost 90 percent of our land. Although the U.S. Fish and Wildlife Agency and the U.S. Forest Service oversees parts of Nevada, more than 48 million acres of public lands in Nevada were controlled under Bob's leadership at the BLM for over 8 years—a large feat for anyone to undertake.

As Nevada's BLM Director, Bob was influential in ensuring that Nevada's public lands are preserved for future generations by taking an active leadership role in restoration and conservation projects, such as the Great Basin Restoration Initiative. Despite the monumental tasks he was often presented with due to the diverse nature of Nevada's landscape, Bob was always able to understand the importance of long-term goals so that our children's children can someday enjoy "wild Nevada."

Thank you, Bob Abbey, for your hard work and dedication as Nevada's BLM Director. Your love for our State is evident and appreciated, and I join with all Nevadans in wishing you a happy retirement.

INCOME EQUITY ACT OF 2005

**HON. MARTIN OLAV SABO**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2005*

Mr. SABO. Mr. Speaker, today I introduced the Income Equity Act of 2005. I have long believed that the growing wage gap in our country is a big problem that we need to address. Wage disparities between high- and low-income households are the largest on record. My legislation would encourage companies to evaluate their pay scale with a focus on those paid the lowest wages.

The Income Equity Act of 2005 would do two things: For tax purposes, companies are currently able to deduct reasonable employee compensation from their taxable income—up to \$1 million dollars. My legislation would cap the top write-off for a company at 25 times whatever the lowest paid full-time employee earns. In other words, if the lowest paid worker makes \$20,000 in a year, the highest salary write-off would be \$500,000—25 times the lowest salary. But the important part is linking top to the bottom. My goal is that companies would be encouraged to evaluate their entire payscale—with an incentive to re-evaluate the lowest salaries paid.

My legislation also addresses payment in the form of stocks. Our tax code currently has no jurisdiction over compensation in the form of stock options or unrestricted stock, which is where most high-paid executives are deriving the bulk of their bounty these days.

I am not suggesting that we limit CEO pay. However, I believe that hard-working Americans should earn enough money to properly feed, house and clothe their families, and American businesses have a role to play.

The idea for the Income Equity Act occurred to me during a Congressional trip to Mexico in the early 90s where I witnessed extraordinary wealth alongside with heart-breaking poverty.

For years, we've been hearing reports of the growing gap between high wage earners and low wage earners. And this year is no different. As reported by many national magazines in annual executive pay surveys, salary increases continue to be more and more disproportionate. Business Week magazine, for example, reported that average CEO compensation rose 15 percent in the past year, while average worker compensation rose a mere 2.9 percent. And in some cases, lavish rewards continue to be heaped on executives with little to no correlation to stock performance or the fiscal health of the company.

The Census Bureau's most recent report shows that the disparities between high- and middle-income and the gap between high- and low-income households are the largest (or tied for the largest) on record since this data has been available.

In 1979, the total income of the top 1 percent equaled the income of the bottom 27 percent. In 2000, the total income of the top 1 percent equaled the income of the bottom 48 percent. That ratio still stands today.

People at the bottom of the income ladder suffer when they can't support themselves by their wages. In the end, our entire society pays when those being left behind must rely on government support for food, housing and health care.

Income inequality also threatens our democratic principles: Americans hold deeply the view that every person willing to work hard should be rewarded. But equal opportunity is undermined when most workers do not fairly share in the wealth created by their work.

To illustrate this point, one person earning a minimum wage would have to work 11,660 years to earn what the top-paid CEO made in 2004—which was \$120.1 million. This is outrageous, and our government should not be in the business of encouraging or subsidizing such disparity.

While developing the assembly line and Ford Motor Co., Henry Ford firmly believed that all of his employees should be able to afford to buy the cars they were making. His compensation philosophy didn't just serve his employees well. It provided Ford Motor Company with a workforce that had incredible morale, high productivity, loyalty and ongoing recruiting success.

Mr. Speaker, there is no bad job, just bad pay. Removing tax deductions for excessive compensation sends the message that American taxpayers expect companies to do better by their workers.

RECOGNIZING KOFI ANNAN FOR HIS ROLE IN THE CREATION OF THE UNITED NATIONS DEMOCRACY FUND

**HON. CHARLES B. RANGEL**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2005*

Mr. RANGEL. Mr. Speaker, I rise today in recognition of United Nations Secretary-General Kofi Annan for his outstanding leadership in the creation of the United Nations Democracy Fund.

Under Mr. Annan's guidance, the UN has held leaders of the global community to a higher degree of accountability. In 2001, the Secretary-General issued a "Call to Action" to address the HIV/AIDS epidemic and proposed the establishment of a Global AIDS and Health Fund to stimulate the increased spending needed to help developing countries around the world confront the HIV/AIDS crisis.

His dedication to spreading democracy has also been at the forefront of his agenda. In 1998, he was instrumental in a mission to help promote the transition to civilian rule in Nigeria.

Earlier this year, Mr. Annan introduced his UN reform package, calling on world leaders to be responsible to the global community. His plan included strategies for achieving international development, maintaining security and ensuring human rights. Among these initiatives was the creation of the UN Democracy Fund. The fund promises to promote democracy throughout the world by providing technical assistance to countries seeking to establish or strengthen their democracy. Mr. Annan has urged Member States to show their support for democracy by financially contributing to the fund. These contributions will then be

distributed within the UN Fund for International Partnerships.

Mr. Annan's perseverance has allowed for international cooperation in spreading democracy. So far, twenty-six countries, including the U.S., have expressed their support to fund.

It takes leaders from all over the world to deal with global threats and issues. Mr. Annan has taken an important step in holding these leaders accountable for doing just that.

The following CNN article discusses Mr. Annan's reforms and the UN Democracy Fund.

ANNAN: ADOPT U.N. REFORM PACKAGE

UNITED NATIONS (CNN)—U.N. Secretary-General Kofi Annan has urged world leaders to reconfigure the international body to reflect the world's population and better enable it to tackle environmental and human rights challenges.

In the speech he delivered to the general assembly, Annan urged countries to adopt his entire reform package at a summit of world leaders in September.

The report comes five years after the Millennium Declaration, in which the United Nations pledged to slash poverty rates around the world by 2015, and six months before a summit in New York to address achieving that goal.

Annan described his plan—which gives equal weight to development, security and human rights—as a comprehensive strategy.

"Specifically, I ask developing countries to improve their governments, uphold the rule of law, combat corruption and adopt an inclusive approach to development," Annan said.

The report, years in the making, comes days before Paul Volcker is expected to issue a report on Annan's handling of the corrupt oil-for-food program in Iraq. But Annan denied that there was any link.

Volcker, a former Federal Reserve chairman, began leading an independent probe of the program for the United Nations almost a year ago.

Annan's proposal establishes a specific charitable goal for prospering nations. By 2015, he wants developed countries to spend .7 percent of their gross domestic income on official development assistance.

And he linked prosperity and the environment. "Our efforts will be in vain if they are resolved by continued degradation of the environment and depletion of natural resources."

Annan said he wants the Kyoto Protocol extended beyond its 2012 expiration.

SECURITY COUNCIL SHIFTS

Annan's proposals include a recommendation to expand the 15-member Security Council to 24 to make it more representative of today's "geopolitical realities."

He recommends three, non-permanent seats with two-year terms and six new permanent seats—two from Africa, three from Asia and one from Latin America. None would have veto rights.

"Five out of the six will come from regions and areas that are under-represented."

Those seats would be in addition to the permanent seats the United States, Britain, France, Russia and China hold.

Annan also proposed strengthening its human rights mechanisms by abolishing the Commission on Human Rights and replacing it with a smaller, standing Human Rights Council.

Among other changes Annan requested were:

Creating a "Democracy Fund" with contributions from member states to provide money and technical assistance to countries seeking to establish or strengthen their democracy.

Asking all member states to sign and implement a comprehensive convention on terrorism, "based on a clear and agreed definition" of the term.

Strengthening the rule of law, human rights and democracy and clarifying when the use of force is necessary.

Reforming the secretariat to make it more transparent, and buying out some employees and replacing them with staffers who have the skills necessary to implement his proposals.

Pursuing the establishment of a worldwide early warning system for natural disasters.

"What's needed now is not more declarations or promises, but action," Annan said. "I believe my report provides a clear program of action."

TRIBUTE TO THE CITY OF HINES, OREGON

**HON. GREG WALDEN**

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, July 12, 2005*

Mr. WALDEN of Oregon. Mr. Speaker, I rise today to pay tribute to the City of Hines, Oregon, on the occasion of its 75th Anniversary. Although incorporated on December 8, 1930, Hines has a rich history going back to the 1870s.

In 1873, Mr. George A. Smyth was the earliest recorded settler near what is now Hines. He and his immediate family moved from the Willamette Valley to the "Warm Spring" area just south of Hines. Shortly thereafter, two brothers by the names of William and Montz Currey set up their ranch headquarters at a small spring, which is now located in the northwest section of Hines. They had a small general store and saloon that was used occasionally as a barricade by nearby settlers when rumors of attacks were circulated after the Paiute Indian uprising in 1878. The Warm Spring was also the site of year-round cattle grazing and many buckaroo camps for the fall and spring cattle round-ups.

In 1924, the Fred Herrick Lumber Company received a contract to start construction of the Malheur Railroad company's tracks to the City of Burns. The lumber company anticipated harvesting 890,000,000 board feet of Ponderosa pine from the nearby Bear Valley District of the Malheur National Forest. They chose the site of the Warm Spring for the construction of a lumber mill because it provided an ice-free log pond. In 1928, the Edward Hines Lumber Company of Chicago took over the Herrick interests of both the railroad and uncompleted lumber mill because of numerous delays in the project.

Due to the Hines Company's strong interest in the area, the Stafford-Derbes & Roy Company, a real estate development firm from New Orleans, purchased land from various ranchers and homestead owners to develop the beginnings of a new city. This project was advertised across the country as "The greater Burns development in the Great Harney Valley, it is Oregon's first made-to-order community, and one of the first scientifically planned cities undertaken in America." Edward Hines and his wife designed and planned the new city around a circular park that was to be, and still is, the heart of Hines. Mrs. Hines stipulated that every house be constructed with slight differences. She wanted this new city to