

community. And from influential non-governmental opinion leaders such as those here this evening.

In recent years, this so-called Track II diplomacy has flourished. These efforts should be further encouraged.

Unless the private sector engages itself in the business of conflict prevention and resolution, the task of moderating strife and violence will become infinitely more difficult.

### III. CONGRESS AND PREVENTIVE DIPLOMACY/ DEFENSE

Let me conclude with a few remarks about the role of the U.S. Congress in matters of preventive diplomacy and preventive defense.

I have been struck by how little of the literature—at least that which I have seen—mentions the American Congress. And yet, if the United States is to take a leading part in international efforts at conflict prevention, then the Congress is going to have to be brought in as a full-fledged partner in this effort.

It seems to me that Congress might usefully take action in three areas:

*First*, Congress must support the infrastructure of preventive action. This means that the Hill must be prepared to provide adequate funding for the State Department and the other agencies that promote American interest overseas. It also requires that Congress be willing to pay for the programs that are most likely to prevent conflict. This means money for economic development, for programs promoting the rule of law, for the creation and nourishment of the political, economic, and legal institution through which tensions can be addressed in ways short of conflict.

*Second*, Congress must overcome its resistance to participation in multinational organizations, both civilian and military. When military force is called for, the presidents and the secretaries of state and defense who seek to persuade Congress to support preventive defense must emphasize the U.S. national interest that dictates such use of our armed forces.

Members of Congress are above all hard-headed pragmatists. Show them how a military intervention serves the national interest and you are much closer to persuading them of the wisdom of such action.

*Third*, and perhaps most fundamentally, Members of Congress are going to have to do better in adapting their mindsets to changed circumstances.

There are Members of Congress today who are unable to utter the word "China" without preceding it with the adjective "communist" or "Red." This inability to move beyond old Cold War views that have more to do with Stalinist Russia than with the China of the late 1990s have frequently led to congressional action that makes conflict with China more rather than less likely.

Unless Members of Congress are prepared to look at old problems from a fresh perspective, the legislative branch is unlikely to be of much assistance in fostering a new ethos of preventive action.

And without congressional participation, the United States will not play the leading role in conflict resolution that its strength and position in the global community demands.

### IV. CONCLUSION

Where does all this leave us?

We know the odds. We cannot eliminate all war and violence, any more than we can eliminate human folly.

We know the United States cannot and should not be responsible for addressing all the ills of the world.

We know that devoting more resources and greater attention to conflict prevention is a

long-term investment that serves the U.S. national interest. Conflict prevention saves lives, saves money, and forestalls the human misery that lead to conflict.

We know that conflict prevention requires the participation of the entire international community. No one leader, no one country, no one institution can carry the load. Conflict prevention responses must be tailored to fit each situation, with a plan, close coordination of the tools of response from among all the actors, internal and external, regional and international, civilian and military, public and private, official and non-official.

The prevention of conflict is a great and worthy challenge.

In our bones we know that it deserves a far higher priority from U.S. policy makers and from international organization, especially the U.N., than it has historically received. The problem is not so much in our lack of knowledge of what to do, but in our political will and commitment to do those things we know can and have prevented conflict.

As I close, let me express my concern that the U.S. leadership needed to strengthen our conflict prevention capabilities is being eroded by budget cuts from the U.S. Congress and a general tendency among the American public to draw back from international responsibilities. It is a situation that demands political leadership of the highest order from the President and the Congress.

Every president, every Cabinet official, every member of Congress should insist that conflict prevention constitute a central component of U.S. diplomatic and defense strategy—and moreover, do a better job of educating the American people about this.

We soon complete the 20th Century. It is a century of wars—the first in which world wars were fought. It is the first century also in which men and women of good will, drawing on the impact of world wars, have wrestled with the idea of conflict prevention and world peace. We have glimpsed that peace is possible because it is necessary. We have not won the day, but we have begun the understanding of what peace and conflict prevention can mean—quite simply it can change the course of history and the life of man more than anything we know or can do.

We may not be able to rid the world of conflict. We *can* make it more livable.

What more important task do you have on your agenda?

Thank you.

### INTRODUCING THE DAVIS-BACON REPEAL ACT

**HON. RON PAUL**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, February 11, 1999*

Mr. PAUL. Mr. Speaker, I rise today to introduce the Davis-Bacon Repeal Act of 1999. The Davis-Bacon Act of 1931 forces contractors on all federally-funded construction projects to pay the "local prevailing wage," defined as "the wage paid to the majority of the laborers or mechanics in the classification on similar projects in the area." In practice, this usually means the wages paid by unionized contractors. For more than sixty years, this congressionally-created monstrosity has penalized taxpayers and the most efficient companies while crushing the dreams of the most willing workers. Mr. Speaker, Congress must act now to repeal this 61-year-old relic of an era during

which people actually believed Congress could legislate prosperity. Americans pay a huge price in lost jobs, lost opportunities and tax-boosting cost overruns on federal construction projects every day Congress allows Davis-Bacon to remain on the books.

Davis-Bacon artificially inflates construction costs through a series of costly work rules and requirements. For instance, under Davis-Bacon, workers who perform a variety of tasks must be paid at the highest applicable skilled journeyman rate. Thus, a general laborer who hammers a nail must now be classified as a "carpenter," and paid as much as three times the company's regular rate. As a result of this, unskilled workers can be employed only if the company can afford to pay the government-determined "prevailing wages" and training can be provided only through a highly regulated apprenticeship program. Some experts have estimated the costs of complying with the paperwork imposed on contractors by Davis-Bacon regulations at nearly \$200 million a year. Of course, this doesn't measure the costs in lost job opportunities because firms could not afford to hire an inexperienced worker.

Most small construction firms cannot afford to operate under Davis-Bacon's rigid job classifications or hire the staff of lawyers and accountants needed to fill out the extensive paperwork required to bid on a federal contract. Therefore, Davis-Bacon prevents small firms from bidding on federal construction projects, which, unfortunately, constitute 20 percent of all construction projects in the United States.

Because most minority-owned construction firms are small companies, Davis-Bacon keeps minority-owned firms from competing for federal construction contracts. The resulting disparities in employment create a demand for affirmative action, another ill-suited and ill-advised big government program.

The racist effects of Davis-Bacon are no mere coincidence. In fact, many original supporters of Davis-Bacon, such as Representative Clayton Allgood, bragged about supporting Davis-Bacon as a means of keeping "cheap colored labor" out of the construction industry.

In addition to opening up new opportunities in the construction industry for smaller construction firms and their employees, repeal of Davis-Bacon would also return common sense and sound budgeting to federal contracting which is now rife with political favoritism and cronyism. An audit conducted earlier this year by the Labor Department's Office of the Inspector General found that inaccurate data were frequently used in Davis-Bacon wage determination. Although the Inspector General's report found no evidence of deliberate fraud, it did uncover material errors in five states' wage determinations, causing wages or fringe benefits for certain crafts to be overstated by as much as \$1.08 per hour!

The most compelling reason to repeal Davis-Bacon is to benefit to the American taxpayer. The Davis-Bacon Act drives up the cost of federal construction costs by as much as 50 percent. In fact, the Congressional Budget Office has reported that repealing Davis-Bacon would save the American taxpayer almost three billion dollars in four years!

Mr. Speaker, it is time to finally end this patently unfair, wildly inefficient and grossly discriminatory system of bidding on federal construction contracts. Repealing the Davis-Bacon

Act will save taxpayers billions of dollars on federal construction costs, return common sense and sound budgeting to federal contracting, and open up opportunities in the construction industry to those independent contractors, and their employees, who currently cannot bid on federal projects because they cannot afford the paperwork requirements imposed by this act. I, therefore, urge all my colleagues to join me in supporting the Davis-Bacon Repeal Act of 1999.

STATEMENT ON K-12 EDUCATION  
EXCELLENCE NOW (KEEN) ACT

**HON. MATT SALMON**

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, February 11, 1999*

Mr. SALMON. Mr. Speaker, I am reintroducing the K through 12 Education Excellence Now (KEEN) Act, which would offer tax credits to families and businesses of up to \$250 annually for qualified K through 12 education expenses or activities. Senator KYL has reintroduced the companion in the Senate, where it has been included in the Coverdell-Lott education reform bill (S. 277).

Over the last 30 years, the Federal Government has steadily increased its monetary commitment to education. Unfortunately, we have not seen a corresponding improvement in the quality of the education our children receive. The results of the Third International Mathematics and Science Study (TIMSS), released last year, revealed that U.S. 12th graders scored next to last in advanced math and dead last in physics. The Department of Education, which promised that the United States would lead the world in math and science by the year 2000, can't even claim bragging rights over war-torn Slovenia. As to reading, which was not measured by TIMSS, 40 percent of fourth graders can't read at the basic level.

The legislation I am introducing addresses the problem of falling education scores by giving families and businesses a tax incentive to provide children with a higher quality education. Specifically, it offers every family or business a tax credit of up to \$250 annually for any K through 12 education expense or activity. This tax credit could be applied to home schooling, public schools (including charter schools), or parochial schools. Allowable expenses would include tuition, books, supplies, tutors, and computer equipment.

Further, the tax credit could be given to a "school-tuition organization" for distribution. To qualify as a school-tuition organization, the organization would have to devote at least 90 percent of its income per year to offering grants and scholarships for parents to use to send their children to the school of their choice. How would this work? A group of businesses in any community could join forces to send sums for which they received tax credits to charitable "school-tuition organizations" which would make scholarships and grants available to low-income parents of children in non-functional schools.

Unlike the big government proposals being peddled by President Clinton and Vice-President GORE, KEEN credits would offer families control over the expenditure of these education dollars, not centralized bureaucrats.

Moreover, the bill would provide an "emergency blood transfusion" to improve America's schools immediately. In Arizona, where a limited version of this operates, inner-city schools are already profiting from an infusion of contributions from area businesses. I encourage my colleagues to enact the K-12 tax credit proposal as expeditiously as possible.

TRIBUTE TO MATT LANGLEY BELL  
III

**HON. JOE SCARBOROUGH**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, February 11, 1999*

Mr. SCARBOROUGH. Mr. Speaker, on October 15, 1998, the citizens of Pensacola and the State of Florida lost a man who dedicated his career to the pursuit of excellence in all aspects of life. This gentleman distinguished himself as a community leader, a dedicated philanthropist, and the model of an honest and effective leader. The man that I speak about today is Matt Langley Bell III.

It is natural to remember Matt Langley Bell III for his nearly 22 years of tax collecting, during which he served on the Board of Directors of the Florida Tax Collectors Inc. and the National Association of County Treasurers. I could mention the countless awards he has received for effective leadership, especially the Meritorious Service Award that was presented to him by the President's Committee on Employment of the Handicapped. Or I could applaud his involvement with the March of Dimes and the United Way where he helped raise funds and increase awareness concerning the plight of handicapped citizens. But I am sure that if Matt was with us today he would say that those accomplishments were simply part of his job.

However, in my opinion Mr. Speaker, Matt went above and beyond the call of duty by dedicating his life to helping others. At a time when our nation calls out for principled leadership from public officials, it is fitting that today we honor a professional who always went the extra mile to represent the under-represented and to promote awareness within the community, the State of Florida, and the nation. During his distinguished career, Matt Bell III came to know and respect our rights of justice and he never forgot how important that right is to the American way of life.

Matt's overall attitude and dedication to public service has been a model in the lives of the public servants that he has trained, supervised, and encouraged. His legacy will be a constant reminder that one person can make an extraordinary difference in the lives of many.

As we remember the life of Matt Langley Bell III, we can take pride in knowing that he has influenced so many people in a positive way. As a fellow elected official and as a friend, I appreciate the importance of dedication and devotion to public office. I can't think of a better way to be reminded of that fact than in honoring the life of the late Matt Langley Bell III.

INCOME EQUITY ACT OF 1999

**HON. MARTIN OLAV SABO**

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, February 11, 1999*

Mr. SABO. Mr. Speaker, the American economy continues to grow at a remarkable rate and to defy the troubles striking many other parts of the world. Yet despite the strength and prosperity of our economy, the income gap between rich and poor in this country is still on the rise. The benefits of the past 20 years of growth are being shared very unevenly—the richest 20% of households now earn as much as everyone else in America put together. It was not always this way. In the years from the end of World War II through the 1970s, economic growth brought with it greater equality. But in the past two decades this progress has been reversed, and our country now has a more unequal economy than we did in the 1940s.

As the income gap grows, working Americans are finding it harder to make ends meet. The dark secret of the 1990s expansion is that almost half of all American families have not seen their incomes return to the same purchasing power as they had before the 1990 recession. With so many people having stagnant incomes and only a few reaping most of the gains from the economy, we risk splitting our society in two.

Although many forces lie behind the growing inequality of income and wealth in America, it is clear that both government and corporate America have roles to play in narrowing the gap. For this reason, I am introducing the Income Equity Act of 1999. This legislation addresses the problem by encouraging corporate responsibility. For too many years, the trend in corporate America has been to pay top executives lavishly, while thinking of other employees as an expense or not thinking of them at all. My legislation will encourage companies to take a closer look at how they compensate their employees at both ends of the income ladder.

The Income Equity Act would place a new limit on our government's practice of subsidizing excessive executive pay through the tax code. My bill would enhance the current \$1,000,000 cap on the tax deduction for executive compensation with a cap set at 25 times the company's lowest full-time salary. For example, if a filing clerk at a firm earns \$18,000, then any amount of executive salary over \$450,000 would no longer be tax deductible as a business expense. This bill will not restrict the freedom of companies to pay their workers and executives as they please. It will send a strong message, however, that in return for tax deductions, the American taxpayer expects companies to compensate their lowest-paid workers fairly.

Economic inequality is a problem that will, if not addressed, tear apart the fabric of our democratic society. Our government has every reason, and every right, to encourage responsible corporate citizenship. The Income Equity Act is not the ultimate answer to the widening gap between the rich and the poor, but it is an important step toward ensuring that all Americans can share in our nation's prosperity.