

grew 3.8%. Employment rose by 3.2 million. The unemployment rate dropped below 5% for the first time in 24 years and inflation averaged only 1.7%, its lowest rate in decades.

This remarkable economic performance occurred while the federal budget deficit, which reached \$290 billion in 1992, declined to only \$22 billion in 1997. The deficit is expected to approach zero this fiscal year. By most measures the economy is exceptionally healthy. In the past, such strong growth, coming at a time when the nation's unemployment rate was falling below 5%, would have caused inflation to worsen, but in 1997 the opposite occurred.

The prospects for continued growth with low unemployment and low inflation remain very good for this year. Economists find the U.S. economy free of many of the symptoms that often presage an economic downturn, such as an increase in inflation or a large accumulation of inventories or evidence of financial imbalance.

#### REASONS FOR SUCCESS

There are many reasons for the strong economy. Deficit reduction has reduced government spending relative to overall growth, and strong U.S. exports have also provided a boost. Most of the credit for the economy's performance has to go to American workers and companies. They have met challenges of a competitive global economy and rapidly changing technology.

The role of the government has not been to stimulate the economy, but rather to try to provide individuals and businesses with the tools they need to flourish through their own efforts. Sound economic policies have promoted private investment, and the government has tried to encourage the formation of skills through training and education and to empower marginalized members of our society to join the work force.

#### FUTURE CHALLENGES

Of course challenges remain, particularly in the areas of productivity, savings, trade, and income inequality.

#### PRODUCTIVITY

Productivity, the measure of economic output per worker, is the key to rising living standards. Productivity growth, which has averaged a bit more than 1% in the 1990s, is less than half of the pace of the '50s and '60s. The situation, however, may be improving. The most recent data show productivity growing about 2% for the past two years, twice the rate of the past two decades; manufacturing productivity is even higher. If sustained, that will allow the economy to grow even faster without inflation, with benefits for wages, profits, and unemployment.

#### SAVINGS

Private savings, which are important to investment that increases productivity, are at historic lows. Americans are currently saving about half of what they need to sustain their current living standards and that could soon become everybody's problem.

#### TRADE

The U.S. trade deficit for goods and services reached \$114 billion in 1997, the worst showing in nine years. Most attribute the widening deficit to a strong dollar and a healthy U.S. economy, which absorbs more imports. Experts predict that the economic crisis in Asia will increase our trade deficit this year.

#### *Income inequality*

Between 1974 and 1994 families in the upper 5% of income distribution enjoyed an average annual gain in income of 1.2% while all others saw their incomes stagnate or shrink. It appears that the lion's share of gains from productivity is going to those with more

education and skills. We must continue to push for high and rising living standards for all our people and ensure that the benefits of a higher standard of living are widely shared.

#### ECONOMIC OUTLOOK

Most of the experts think that the American economy will continue to expand through 1998 although the pace of growth will be slower than in 1997 due to the Asian financial turmoil and the prospect of tighter labor markets. If the current expansion continues through this year, it will have lasted more than 7 years, the longest period of non-stop economic growth since the 1960s. That record will be surpassed if the current expansion extends into January 2000.

Economists point to a number of factors that could derail the good times. Some worry about higher inflation as job markets continue to tighten. Others fret about the threat of sharply declining prices, particularly if Asian countries try to grow out of their financial difficulties by flooding our markets with cheap imports rather than boosting internal consumption. The danger is that declining prices might trigger lower incomes, leaving many Americans without enough money to pay off their debts. Still other economists play out different scenarios: a consumer debt crisis; a sharp decline in stock prices or a punishing trade deficit; higher unemployment; and shrinking corporate profits, with the attendant cost-cutting and layoffs.

Economists are fond of pointing out that every expansion contains the seeds of its own demise: Investors get too enthusiastic and pay too much for stocks or real estate. Businesses flush with profits and new orders invest too much in new plants or build up too much inventory. Banks take on riskier loans. Over-confident consumers take on too much debt. Prices and interest rates rise, shortages develop. And there is always the possibility of some large unforeseen event, such as the oil shocks of the 1970s, that causes a big change in the price or supply of key commodities. In short, things happen during expansions that make them end, but of course, nobody can predict when.

#### UNFINISHED AGENDA

Americans can take pride in our economic record of the last decade. We have the strongest, most successful economy in the world, and have become the model for other countries. Nonetheless, I worry about our country's unfinished, and largely undiscussed, agenda. First, I am most concerned about the widening gap between rich and poor. We must do more to increase the skills of our workers and create more good-paying jobs. Second, I worry about the long-term prospects for a balanced budget, particularly in the absence of serious reform to Medicare, Social Security, and other entitlement programs. Without such reform, the deficit will likely explode again when the baby boomers start to retire. Third, I think that we are not investing enough in our nation's children and their future. We need to make sure that every child has a minimum good start, health care, nutrition and educational opportunities.

#### HONORING DR. EVA EVANS DURING BLACK HISTORY MONTH

#### HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 25, 1998*

Ms. STABENOW. Mr. Speaker, each year, during the month of February, our nation

comes together to celebrate the history and culture of the African American community.

During Black History Month, it is my honor to acknowledge an outstanding American, Dr. Eva Evans, and her leadership.

Beginning as a child in the Detroit Public Schools, Dr. Evans has always shown a commitment to education. After receiving her Ph.D. in Administration and Higher Education at Michigan State University, Dr. Evans joined the Lansing public school system, where she worked her way from an elementary school teacher to Lansing's highly respected Deputy Superintendent for Instruction.

Along with her professional commitment to Lansing, Dr. Evans is deeply involved in the community. With a roster of community service activities too long to list, she has served virtually every avenue on both the state and local level, from Chairperson of the Capital Area United Way Board of Directors, to Board of Directors of the Mid-Michigan America Red Cross, to Corporate Board of Directors of the United Negro College Fund.

Currently, Dr. Evans is International President of Alpha Kappa Alpha Sorority, serving our nation's oldest Black Sorority, and continuing a tradition that has initiated more than 180,000 college educated African-American women since its founding in 1908.

Black history month is a special time of year to recognize contribution and achievement, but also to recognize the importance of history. Dr. Evans's work has made a real difference within the many communities of Michigan and literally, around the world. Her achievements have become a part of our history and her service to her state and country is unparalleled.

Though Dr. Evans has already been presented with many awards, such as the Diana Award for Outstanding Leadership in Education, and NAACP's Educator of the Year Award, I am proud to include Dr. Evans' great accomplishments in the 1998 CONGRESSIONAL RECORD during this important month. Dr. Evans is a role model for us all.

#### A SUCCESS STORY: ROBERT SNIFFEN AND THE SAN DIEGO VETERANS SERVICES CENTER

#### HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 25, 1998*

Mr. FILNER. Mr. Speaker, and colleagues, I rise today to recognize the work of Robert Sniffen, Chairman of the Board of the San Diego Veterans Services Center in Escondido, California. Mr. Sniffen was recently awarded the KGTV Channel 10 Leadership Award for his volunteer service which has made a significant impact on the San Diego County community.

In his acceptance remarks, Sniffen said:

I am deeply humbled and greatly honored to receive this significant award. I do so in the name of the scores of volunteers and hundreds of our supporters. I accept this award in the name of the San Diego Veterans Services Center Board of Directors, as well as our Advisory Board Members, that have made the success of the Veterans Service Center a reality. Our whole purpose for existence is to be here in any way possible for this most noble and worthy cause, on behalf

of all veterans of all eras throughout San Diego County.

One way in which the Veterans Service Center is there for veterans is demonstrated in the following statement by Mr. Sniffen. His statement describes the collaboration of the Service Center with the San Diego Veterans of Foreign Wars (VFW) in order to provide the VFW-SDVS Claims Service for veterans. I would like to submit Mr. Sniffen's statement into the RECORD.

In February 1996 The San Diego Veterans of Foreign Wars Service Office joined forces with the local non profit veterans group, San Diego Veterans Services, to create the VFW/SDVS Claims Service.

Then Department Service Officer Art Rodrigues LLB-J.D. had long believed that VA Claims outreach to veterans in the North part of San Diego County was a concept long over due. Current demographics indicated that some 150,000 of the county's 371,000 veterans resided in the numerous cities north of San Diego. Because of military downsizing, many discharges from Camp Pendleton, the Marine Corps largest base, have now settled in North County.

The experimental partnership forged by Art Rodrigues and Robert Sniffen, Chairman of San Diego Veterans Services, is now a major unprecedented success beyond anyone's wildest expectations! For the immediate past quarter (Oct, Nov, and Dec. 1997), 73 veterans received VA claims awards totaling \$646,979. This quarterly monetary awards total was achieved in only 30 working days. Also during this quarter, 274 vets were counseled and interviewed with another 80 "new" claims filed.

The SDVS, Veterans Service Center of North County, the home of the VFW/SDVS Claims Service, has become a magnet for those wishing to file or refile VA Claims without a major journey to VA Regional facilities.

Now as the word of success of this one-of-a-kind, claims project spreads, some 10-12 veterans a day are interviewed and counseled as to their potential VA claims benefits and rights.

To illuminate the impact of this innovative program, one just needs to look at the following statistics:

The San Diego Department of Veterans Affairs Regional Office serves Imperial, Riverside, and San Diego Counties in regards to processing VA claims entitlement applications. This region provides 12,831 disabled veterans with monthly compensation and pension benefit checks.

Of that number, 315 North County vets and their families now receive such entitlements as a direct of the Veterans Service Center of North County's VFW/SDVS Claims. Since February 21, 1996 through November 30, 1997, this singular outreach program has interviewed and counseled 1817 veterans, spouses, widows and survivors to determine potential eligibility for benefit entitlements. These outstanding results were achieved in just 179 working days. As a result of the VFW/SDVS project, 567 vets have filed their VA claims and 315 vets and their families have already been granted back pay and monthly entitlement awards now topping \$3,000,000.00 million dollars.

That \$3 million dollars improved the quality of life for vets families, homeless vets, surviving children of deceased vets, the totally and permanently disabled vets, and those vets with partial disabilities that impact their lifetime earnings capabilities.

Veterans and their families in a dozen or more Northern San Diego County Cities are now enjoying "new found" disposable income that is rightfully due.

When one considers the round trip distance of a 50 mile plus trip to VA facilities from Escondido, it simply makes common sense that certain subsets of our veterans are precluded from taking this "Magical mystery" tour to VA facilities.

This would include an assortment of every disability for a large number of "graying" senior vets suffering from cataracts to hip replacements, as well as younger vets, disabled as a result of their military experience. Others simply are age-affected with fear of such a long trip. Following are a few other factors that prevent many veterans from filing their VA claims at any place else, other than the Vets Center:

Homeless vets without bus fare, and a 2 or 3 hour journey by bus if bus fare is provided.

The on-going distrust of government among some veterans. These Vets find it emotionally harming having to deal with the government. This skepticism is only sometimes justifiable but is real to the veteran.

Veterans who must be convinced they are not "unworthy" of government assistance or large numbers of vets who feel that "their buddies" deserve it and need it more than they do.

Unemployed Veterans and underemployed vets who are busy with 2-3 menial jobs and cannot afford the necessary cost of gas if they have a car.

Widows of deceased veterans who for similar reasons cannot navigate their way to the regional VA office.

Those veterans who come to the center for other "needs". These vets had no intention to file or were unaware of their rights to file for entitlement benefits. All new Center Clients are automatically funneled into "VFW/SDVS Claims Service" office.

Vets who are referred to the VFW/SDVS Claims Service by "Wildfire" word of mouth from fellow vets whose claims were successfully resolved.

Vets who might have filed ages ago, were initially turned down and/or abandoned their claim in the appeal process, out of frustration, moving, or a variety of other reasons.

Trust and belief in the "veterans helping veterans" all volunteer aspect of all Vet Center programs are also vital components of this One-Of-A-Kind-advocacy outreach effort.

If there is another volunteer, local non-profit effort as wildly successful as the VFW/SDVS Claims Service we have yet to hear about it.

We are so very proud of these contributions of "new disposable" income to our vets which has vastly enhanced the quality of life for them and their families. Such efforts benefit our vets, our local businesses, and the community at large.

These glaring, indisputable, "bottom line" numbers touted by the VFW/SDVS Claims Service has been faithfully assembled by the Number Two man responsible for all VFW Claims Offices throughout the State of California, Art Rodrigues, LL.B.J.D., the Deputy Director of the California VFW Service Department. Mr. Rodrigues has single handedly produced each claim award and has kept such numbers during his 22 years of service at the San Diego Mission Valley VA Regional office as the VFW's National Service Officer.

The Veterans of Foreign Wars on the local, state, and national level have recognized the VFW/SDVS Claims Service as a unique and effective project worthy of replication. The VFW recognizes that this effective new method of dispensing claims services, because of cutbacks of VA personnel and budget constraints, will result in less services at VA regional offices. Outreach, one-stop-center efforts will eventually replace central government services across the nation. All

government services, will, in coming decades, emanate from one-stop, outreach community centers. This was made clear by the 1997 VFW National Commander In Chief, James Neirs in his visitation to the Vets Center in early 1997 when he labeled the VFW/SDVS partnerships as a "Model For The Nation."

The VFW/SDVS partnership continues unabated! While Art Rodrigues has retired as a VFW Department Service Officer, he remains on the job in his capacity as the Deputy Director of the California VFW Service Department. As a volunteer three days a week, Art continues to do wonderful work on behalf of the VFW and on behalf of the veterans he serves.

"There is no question that the VFW/SDVS Claims Service is a smashing success. In my twenty two years as a DSO for the VFW I have not seen anything that compares to this efforts record of success. It is my hope that my counterparts in all veterans organization throughout California and the nation will take a close look at our collaborative outreach project and seek the replicate such an effort in their area", stated Rodrigues.

The team of Rodrigues and Sniffen, representing the good works of the VFW and SDVS, are not done yet with their outreach master plan. The 1997 VFW National Convention allocated a one year \$5,000.00 grant to the state VFW which is intended for increased outreach efforts in North San Diego County.

"It has always been our intention to open another VFW/SDVS claims office in Ocean-side, California to handle the ever-increasing numbers of military discharges from Camp Pendleton, many of whom chose to remain in the beautiful North County's cities where they have put down roots" according to Rodrigues and Sniffen.

While awaiting action from the VFW State level, one thing is certain, Veterans in the Northern environs of San Diego County are receiving more VA entitlement awards than ever imagined or would ever have received if not for the existence of this unique and one of the most, if not the most successful, outreach projects in the nation.

Indeed, the VFW/SDVS Claims Service is A Model for the Nation.

## INTRODUCING THE PRIVACY PROTECTION ACT

**HON. RON PAUL**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, February 25, 1998*

Mr. PAUL. Mr. Speaker, I rise today to introduce the Privacy Protection Act of 1998, which forbids the use of the Social Security number for any purpose not directly related to the administration of the Social Security system. The Social Security number was created solely for use in administering the Social Security system. However, today the Social Security number is used as an identifier for numerous federal programs. Unless the use of the Social Security number is restricted, it will soon become a national identification number by which the federal government can easily keep track of all vital information regarding American citizens.

Anyone who doubts that we are well on the way to using the Social Security number as an universal identifier need only consult 1996's welfare reform bill, which forces business to report the Social Security number of every new employee to the federal government so it may be recorded in a national data base.