

(Mr. REDMOND addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

EAST ASIA ECONOMIC INSTABILITY AFFECTS U.S.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HINCHEY) is recognized for 5 minutes.

Mr. HINCHEY. Mr. Speaker, I want to talk this evening for just a few minutes about the meeting of the Federal Reserve Federal Open Market Committee which will take place on Tuesday of next week, the 31st of March.

This is a very important meeting, as all of these meetings are, because the Federal Open Market Committee will in effect be setting short-term interest rates for the months ahead. Setting short-term interest rates is important because it governs so much of the lending that goes on, particularly the consumer lending that goes on in our country.

It is consumer lending and borrowing that affects so much of our economic circumstances, including the level of growth. So the interest rates which will be determined at this meeting of the Federal Open Market Committee on Tuesday are critically important.

The Fed has been saying, in effect, that they have been holding interest rates steady. That is essentially true. They have been holding them steady at about 5½ percent. When you factor in the very important fact that the consumer prices, in other words, the cost of living, has been going down, then you see that real interest rates have, in fact, been going up over the course of the last many months.

This chart here, I think, demonstrates that quite clearly. Beginning in 1997, the interest rates have gone up quite dramatically. And the indications are that, absent any change in Federal Reserve policy, real interest rates, that is interest rates as a function of inflation, as a function of the cost of living in our society will continue to go up as this chart here clearly demonstrates.

If interest rates go up, that means that the cost of many things will go up as people have to borrow to buy those things in our society. The Fed is excusing this raising of real interest rates by saying that there are indications of inflation in our economy.

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But when we look closely at it, we discover that that is not the case at all.

Just today, an announcement came out of the Department of Commerce indicating that durable goods orders were down again, orders for durable goods, which are used in every aspect of manufacturing in our country have gone down, indicating that manufacturing is going to go down in the future because those durable goods orders are going down.

Consumer prices at both the retail and at the wholesale level continue to decline. There is absolutely no indication of any inflation anywhere in our economy, yet the Federal Reserve continues to allow interest rates to creep up. That is real interest rates, interest rates as a function of inflation.

Now, under ordinary circumstances, this would be troubling, and we would be upset with the Federal Reserve for allowing the cost of borrowing to continue to creep up this way. But we are now involved in a circumstance that is not normal at all; it is very unusual. That circumstance is the financial crisis that is sweeping across all the countries, virtually all of the countries, at least, of East Asia and the very complicated financial problems that exist in those countries, which are causing actual disinflation in East Asia, and even deflation in some places that is going to flood the marketplace of every other economy in the world, as much as possible, with these cheap goods. Therefore, that is going to cause additional economic problems here.

Indications are that the flooding of these cheap goods into our economy is going to cost us as much as 1 or 2 points in our economic growth and the cost could be even higher. We could experience economic growth of only 1 percent or even negative economic growth sometime later this year if the Federal Reserve does not act soon to reduce interest rates and prepare us for the onslaught of the consequences of what is taking place in East Asia.

Some other countries are preparing themselves for the consequences of these activities. For example, some of the OPEC countries recently realizing that the deflation going on in East Asia that is causing oil prices to drop have come together and they are reducing the amount of oil that they are producing, and that is going to raise oil prices a bit, but what they are doing is preparing their economies for the onslaught of this disinflation and even deflation that is coming across from East Asia.

Mr. Speaker, we need to do the same. The most important way that we can prepare ourselves for the effects of this disinflation and deflation is to lower interest rates, lower short-term interest rates at the next meeting of the Federal Reserve Federal Open Market Committee.

I am circulating a letter this week to all of the Members of the House of Representatives asking them to join me in a letter to the Federal Reserve, asking them to take into consideration the fact that durable goods orders are down again, to take into consideration the fact that consumer prices and wholesale prices continue to fall, and to take into consideration the fact that we are about to be hit by the disinflation sweeping across East Asia, and that is going to have a damning effect on our economy, and we need to act, and act soon.

The SPEAKER pro tempore (Mr. DEAL of Georgia). Under a previous

order of the House, the gentleman from Illinois (Mr. EWING) is recognized for 5 minutes.

(Mr. EWING. addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

H.R. 23, THE STOP SWEATSHOPS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PASCRELL) is recognized for 5 minutes.

Mr. PASCRELL. Mr. Speaker, I rise today to bring to the attention of my colleagues a tragic event of yesterday and raise a call to action on a serious problem of today.

Today marks the 87th anniversary of what was, by many accounts, the worst factory fire in the history of our Nation, a fire that by the time it was finally quenched, had taken the lives of 146 women, many of whom would better be described as young ladies, girls as young as 13 years of age. The fact that 146 innocent lives were lost make the events of March 25, 1911, horrible, but it is the reason why these lives were lost that makes it a very tragic, a serious tragedy and a crime.

The fire occurred in the factory at the Triangle Shirtwaist Company, a woman's clothing manufacturer. The factory was little more than 500 women crammed together at sewing machines in a small building which now houses part of New York University, forced to stay at the machines for long hours at little pay. The tragedy was fostered by the fact that the room was packed well beyond its capacity and the doors were locked by the owners to keep the women at their machines.

Mr. Speaker, this is history being repeated today, a setting which led to the loss of 146 lives in 15 minutes. As great a tragedy as the Triangle Shirtwaist Factory fire was, the bigger tragedy is that the very conditions that led to it 87 years ago still exist. Despite what many think, sweatshops are not a thing of the past nor are they the domain of Third World nations. They exist right here in this greatest of all democracies.

Mr. Speaker, a 1994 General Accounting Office study estimated that New York City's famed garment industry may be populated by as many as 2,000 sweatshops. In Los Angeles and Miami, 90 percent, 80 percent of all garment shops are sweatshops; the Department of Labor officials have determined that in my own State of New Jersey, in the northern part of the State, 300 sweatshops, a figure that is actually on the rise as more and more sweatshops are migrating across the river from New York to New Jersey to take advantage of less expensive rents.

The continued proliferation of sweatshops is one of the greatest threats to the continued vitality of our economy and the rights of hard-working Americans. The honorable businesses that observe the Fair Labor Standards Act

and the other laws of this Nation that govern the workplace are put at serious competitive disadvantage when they are forced to compete with sweatshops that ignore all the laws, and then we have stars go on television and smile and say of their sponsored products, they know nothing about it.

How can we reasonably expect a company that pays its workers a livable wage and provides a safe workplace to compete with sweatshops? Such a notion is absurd. If we continue to allow these sweatshops to operate, who are the real losers? Our workers, the millions of hard-working Americans who will see their wages artificially repressed and their jobs lost as legitimate businesses are forced out of business by sweatshops.

Mr. Speaker, what does it say about us as a society if we are willing to allow sweatshops that treat humans worse than we would treat animals to continue to operate; sweatshops where children and women are forced to work 14 hours a day, overcrowded rooms at a fraction of the minimum wage? Mr. Speaker, if we are going to save jobs, especially those in the manufacturing industry, and ensure our workers appropriate conditions and pay, we must crack down on these illegal sweatshops.

I have joined with several of my colleagues to send a strong message by cosponsoring H.R. 23, the Stop Sweatshops Act. This important measure would hold any manufacturer legally responsible if it or one of its contractors operates a sweatshop.

Simply increasing the penalties is not enough. It is time for the Department of Labor to get off their fannies, to begin addressing the problem with the seriousness that this warrants. It is time for the Department to make exposing and putting sweatshops out of business a real priority.

Mr. Speaker, 87 years ago 146 young women died in what amounts to a senseless tragedy motivated by greed. We owe it to their memory to rid our Nation of sweatshops and those who endorse them, and fight against those who smile and say they know nothing about it when they endorse those products.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Wyoming (Mrs. CUBIN) is recognized for 5 minutes.

(Mrs. CUBIN addressed the House. Her remarks will appear hereafter in the Extension of Remarks.)

TRIBUTE TO FORMER CONGRESSMAN JIM HOWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, 10 years ago today, March 25, 1988, Congressman Jim Howard passed away. It was a very sad day for us, for his friends and colleagues, his family, and for the coun-

try, because he had given so much and was at the height of his career as chairman of the House Public Works and Transportation Committee.

Mr. Speaker, I wanted to say these words tonight because I wanted to make sure that Jim and his tremendous legislative accomplishments are not forgotten. As his successor, representing most of his old district, I can point to many reminders back home of Jimmy's 24 years in Congress. There is the massive Jersey Shore beach restoration project, the rebuilding of Barnegat Inlet, the electrification of North Jersey Coast Rail Line, and Ocean County Community College.

There is the veterans outpatient clinic in Brick Township, the National Marine Fisheries Lab at Sandy Hook, the Computer Sciences Hall at Monmouth University, and Interstate 195 in Central Jersey, all of which carry his name as a reminder of his outstanding service to his district and to his State.

His contributions nationally were broad and lasting. As Chairman of the Surface Transportation Subcommittee from 1975 to 1981, he developed the "Howard Plan" which, for the first time, combined mass transit and highway legislation into one bill. It was an effort to give mass transit equal billing with highways and to better coordinate national transportation policy.

As chairman of the Committee on Public Works from 1981 to 1988, he championed, with the bipartisan help of the committee's current chairman and ranking member, the critical needs of the Nation's crumbling infrastructure. He undertook a bruising, but successful battle to raise the Federal gas tax to pay for the roads and the bridges that were deteriorating at an alarming rate.

He also championed highway safety, the 55-mile-per-hour speed limit, as well as anti-drunk driving and 21-year-old minimum drinking age laws that have saved many lives throughout the country. Perhaps most critical for his Jersey Shore district, he was an environmentalist who passed a tough clean water bill over a presidential veto. He set the timetable to end ocean dumping, developed a plan to end plastic floatables pollution and helped pass a comprehensive Superfund law.

In many ways, particularly in the environmental area, I am trying to carry on with some of these initiatives, because they are ongoing in nature and require a constant vigilance; and I have great respect for Jimmy's legacy and for that of his family. His widow, Marlene, his daughters, Kathy, Lenore and Marie, who is here this evening and is also a staffer on the Committee on Resources, and four grandsons, Brian, Jamie, Anthony and Joseph.

The love and support that Jim Howard received from his family was critical to his success in Congress and also at campaign time. He often talked about his first campaign in 1964, which was run from his kitchen table, using the entire family savings of about

\$5,000 at the time. His wife, Marlene, was the campaign manager, and my colleagues have to understand, this was a very risky venture for a grammar school teacher running in a district that had never gone Democratic for President and has not since that day in 1964 when Lyndon Johnson was elected and so was Jim Howard. His campaign slogan in 1964 was "He cares about people, it's that simple." I think that really sums up why Jim was reelected each time against odds that often were overwhelming.

Mr. Speaker, I would like to include for the record two letters which I think paint a rich picture of the human side of Jim Howard, his wonderful sense of humor and his love of life. One of the letters is from Jimmy's daughter, Marie Howard Fabrizio, and the other is from Hayley Roberts Mullan of Belmar, New Jersey, which is the town in our congressional district where Jim grew up. Hayley has many childhood memories of her Congressman, which I would like to share and I include them for the RECORD at this time.

MARCH 25, 1998.

Congressman FRANK PALLONE,
Cannon House Office Building, House of Representatives, Washington, DC.

DEAR FRANK: On behalf of my mother Marlene, my sisters Kathy and Lenore, and all the Vetrano and Howard family, thank you so much for taking the time to remember and honor my father, Jim Howard, today on the tenth anniversary of his passing. Our hearts are filled with appreciation for this kind gesture.

Dad served in the House of Representatives for 24 years and he loved this House. He was a liberal Democrat from a fairly conservative Republican district. First elected in 1964, he remained in Congress until his death on this date in 1988. I believe he was continuously reelected because he was respected by Democrats and Republicans alike for his candor, and willingness to listen to different opinions and learn from them. I can remember several occasions when he came home and told us that he was going to come out on one side or the other of an extremely contentious issue and it would probably mean he wouldn't be reelected. If we asked why he had to take such a stand the answer was always the same—because it was the right thing to do. Not to do so was a totally foreign concept to him.

In the mid 1960's when he had only been in Congress for a short time, he came out against further U.S. involvement in the Vietnam war. A position that didn't put a young Congressman in a good light with the powerful Johnson White House nor with his district which strongly supported the war effort. It seems funny to think of it now, but his position in favor of allowing 18 year olds to vote, was an incredibly divisive issue at the time it was being considered. He told me he could not rationalize how the government could draft someone into combat but deny that person a say in who made such decisions. Of course, few were thrilled when as Chairman of the House Public Works and Transportation Committee, he pushed so hard for the 55 mile an hour national speed limit. He was most proud of that legislation because it was so immediately responsible for a large decrease in highway fatalities and incidents of paralysis, epilepsy and other medical problems resulting from head trauma.