

went on to talk about the decline in hunting accidents, praising hunter safety. She was one of the boys. She could talk the talk and walk the walk.

She always took the broad view of nature and of man's relationship to it. "I believe there's only one conflict," she told me, "and that's between the short-term and the long-term thinking. In the long term, the economy and the environment are the same thing. If it's unenvironmental it is uneconomical. That is a rule of nature."

Last month legislation was introduced in the House and Senate to name an 8-million-acre wilderness reserve in the Arctic National Wildlife Refuge after her. Not a bad way to be remembered.

Toward the end, friends and family began exchanging "Mollie stories." Steve Wright recalled how five years ago he had passed her on a country road and recognized her license plate—"4STR"—for "forester." He chased her down on his new motorcycle, a 1200cc Harley-Davidson, finally catching up with her at a gas station. Mollie took one look at his cycle, hiked up her skirt, threw one leg over the sissy bar and sped off. She turned around to wave goodbye as she barreled at top speed up Vermont's Route 100. Ten minutes later she returned the bike. Vintage Mollie Beattie.

Mollie's last day of consciousness was Tuesday, a time when closest friends and family gathered at her bedside at the Grace Cottage, part of a tiny village hospital. Present too was Dozer, her big brown mutt with crooked ears and graying muzzle. It was said that the nurses spent as much time feeding Dozer as caring for the patients—again Mollie's talent for getting others to provide for nature. Toward the end, in a moment of solemnity, Mollie was asked if there was anything else she needed. After a second's reflection, a mischievous glint came into her eyes. "Potato chips," she said. The room erupted in laughter.

There was always a sense that the world had come to Mollie's door, and not the other way around. Atop her stunningly understated three-page résumé was her address, a box number on Rural Route No. 3, in Grafton, Vt. She lived a mile from the nearest utility pole in a house of wood she and her husband, Rick Schwolsky, built amid 142 acres of beech, birch and maple—red and sugar—on a gentle south-facing slope. There she kept her bees and shared the honey with an occasional black bear, driving him off only when he took too much.

There was no television in her house, and in the living room hung a painting of a woman standing with her hand on an oak tree. The woman is depicted speaking, but instead of words, oak leaves are coming out of her mouth. The picture was titled "A Woman Who Speaks Trees." It was one of the few possessions that Mollie said really meant anything to her. I can think of no more fitting epitaph. Mollie, too, was "A Woman Who Speaks Trees."

## EXPORTS, JOBS AND GROWTH ACT OF 1996

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1996

Mr. ROTH. Mr. Speaker, today I have introduced the Exports, Jobs and Growth Act of 1996. Joining me as original cosponsors are Mr. GILMAN, Mr. HAMILTON, Mr. GEJDENSON, Mr. LEACH, Mr. BEREUTER, Mrs. MEYERS, Mr. MANZULLO, Mr. GALLEGLY, Mr. MARTINEZ, Mr. JOHNSTON, and Mr. TORRICELLI.

The Exports, Jobs and Growth Act of 1996 extends the authority for three export assistance agencies: the Overseas Private Investment Corporation [OPIC], the Trade Development Agency [TDA], and the export-related programs of the Department of Commerce's International Trade Administration. These authorities will otherwise expire at the end of this fiscal year. The bill also incorporates several recommendations made during hearings conducted by the International Economic Policy and Trade Subcommittee.

This subcommittee, which I chair, during the last year conducted numerous oversight hearings on export competitiveness. Two of these hearings were specifically on the programs reauthorized in this bill. Testimony was received from both the administration and the U.S. exporting community, with all witnesses strongly endorsing continuation of the agencies' programs. The bill is the result of our findings from these hearings, and reflects the strong bipartisan interest on our committee for promoting U.S. export competitiveness.

The bill also reflects the strong support for reauthorization that has been communicated to the subcommittee over the last month from such groups as the Coalition for Employment through Exports, the National Association of Manufacturers, the U.S. Chamber of Commerce, the National Foreign Trade Council, the Small Business Exporters Association, the American Consulting Engineers Council, and the National Independent Energy Producers.

A more detailed description of the programs and the bill's provisions follows:

### THE OVERSEAS PRIVATE INVESTMENT CORPORATION (OPIC)

OPIC began operations in 1971, with start up funds of \$106 million. It is a wholly owned U.S. government corporation that provides insurance and financing to U.S. companies investing in overseas markets. OPIC's mandate is to facilitate private sector investment in the developing world, to expand U.S. exports and to advance U.S. foreign and domestic policy goals, within certain statutory parameters and guidelines.

During its 25 years of operations, OPIC has generated \$43 billion in U.S. exports to 140 countries, creating 200,000 U.S. jobs.

Significantly, OPIC is financially self-sustaining. Years ago it reimbursed the U.S. Treasury for its initial capitalization. Through its own operations it has built up \$2.3 billion in reserves (on deposit at the U.S. Treasury) to cover its contingent liabilities.

Each year, OPIC's income from insurance premiums and financing fees covers all its operating costs and any losses, as well as generating funds for the U.S. government. Last year, OPIC generated a net \$122 million surplus for the U.S. Treasury.

Testimony from the exporting community was that OPIC's insurance and financing programs are essential to U.S. companies which are seeking to expand into newly emerging markets in Asia, Eastern and Central Europe, Latin America and the Middle East. Private sector risk insurance and financing is largely unavailable for these emerging markets.

The bill reflects recommendations by both the exporting community and the Administration that OPIC continue to expand its level of assistance to U.S. companies. The bill provides that OPIC's programs would gradually rise over the next 4 years.

The bill also corrects a longstanding statutory defect by specifying that OPIC shall operate under U.S. trade policy as well as U.S. foreign policy. In line with this correction, the bill also would remove the statutory re-

quirement that the AID Administrator is Chairman of the OPIC Board.

### TRADE AND DEVELOPMENT AGENCY [TDA]

The Trade and Development Agency began operations in 1981. It is an independent agency under the direction of the President that funds engineering and feasibility studies for large capital projects overseas, principally in the energy, transportation, communications, environmental, and industrial sectors.

Over time, TDA has proved that by supporting the initial design studies, the U.S. effectively influences the follow-on procurement decisions toward U.S. companies. As a result, TDA estimates that U.S. companies have obtained \$29 in new overseas contracts for every dollar invested in TDA activities since 1981. In FY 1995, TDA funded 430 activities in 72 middle-income and developing nations.

Under the bill, TDA's authority would be extended for two years, specifying that the FY 1997 level would be \$40 million, the Administration request.

### INTERNATIONAL TRADE ADMINISTRATION EXPORT PROGRAMS

The International Trade Administration's budget for export promotion has been holding steady at just under \$240 million. This primarily covers the work of the U.S. and Foreign Commercial Service. The Commercial Service, with a staff of under 1,300 worldwide, states that according to its clients it facilitated an estimated \$5.4 billion in 1995 export sales, producing 92,000 new U.S. jobs.

Other programs include the Trade Development office, the International Economic Policy office, and the Secretary's stewardship of the Trade Promotion Coordinating Committee (TPCC). The TPCC, which was created in statute by our committee, has helped bring greater coordination and effectiveness to export promotion.

The bill proposes to reauthorize these activities at the current \$240 million level for FY 1997 and "such sums as are necessary" for FY 1998. As recommended in our hearings, the bill would add a new provision to the TPCC's strategic plan that emphasizes the importance of improving these programs for small business.

### A SALUTE TO EUDORA PETTIGREW

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1996

Mr. ACKERMAN. Mr. Speaker, I rise today to commend Dr. L. Eudora Pettigrew, who has just completed 10 years of service as president of the State University of New York College of Old Westbury. Dr. Pettigrew has served with distinction as head of the State University of New York's most diverse and multicultural campus. During her long career in higher education, both as a faculty member and as an administrator, Dr. Pettigrew has earned the respect of students, faculty, and alumni. Prior to her stewardship of SUNY College of Old Westbury, President Pettigrew served as associate provost of the University of Delaware. During her outstanding career, she has also been associated with such distinguished institutions as Michigan State University, Southern Illinois University, and the University of Bridgeport.

President Pettigrew received her doctor of philosophy degree and master's degree from Southern Illinois University. She holds a bachelor of arts degree from West Virginia State College.

While fiscally the past decade has been a difficult one for almost all segments of our society, higher education—particularly public higher education—has endured painful budget reductions which continue to this day. Yet, President Pettigrew, through resourceful and courageous leadership, has successfully guided her campus through these very troubled times. And each spring, in a spectacular and very moving rite of passage, SUNY Old Westbury holds a commencement ceremony unmatched on Long Island. Nearly 1,000 men and women of all ages, of remarkably different ethnic religious and racial backgrounds receive their diplomas from President Pettigrew. No where else on Long Island or in SUNY can one witness such a wonderful example of successfully bringing people from a broad spectrum of backgrounds together to learn from and with each other and, ultimately to succeed. Such wonderful diversity lies at the core of the success of the College at Old Westbury and President Pettigrew has played a major role in preserving the College at Old Westbury's very special and unique mission.

International education has been a long-standing interest of Dr. Pettigrew. She has traveled worldwide to participate in conferences and symposia which involve discussions about the expansion of international education programs on campuses throughout the world. Recently she led a delegation of public university presidents from throughout the United States to the People's Republic of China. The chancellor of the State University of New York has appointed her chair of a special Commission on Africa with primary focus on South Africa. She recently led a delegation of SUNY officials to South Africa to explore the possibility of exchange programs with South African universities.

Mr. Speaker, President L. Eudora Pettigrew is an extraordinary educator and dynamic leader who has contributed most significantly to the growth and development of the State University College at Old Westbury over the past decade. She is an educator extraordinaire and I am very pleased to publicly acknowledge her many works on behalf of the citizens of New York State. I call on my colleagues in the House of Representatives to join me in paying tribute to a dedicated educator and extraordinary humanitarian, Dr. L. Eudora Pettigrew.

RATIONING LIFE AND DEATH BY  
INCOME CLASS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 9, 1996

Mr. STARK. Mr. Speaker, once again, Professor Uwe Reinhardt, cuts to the heart of the matter with his June 19, 1996, essay in the *Journal of the American Medical Association* entitled "Economics."

His short article is reprinted below. It is blunt. Americans have decided to ration health care by income class. The poor will die earlier than the rich. The poor will suffer more. Their children will be doomed to less healthy lives. That's the truth. We try to hide from that truth behind ideologies and high-flown talk of "market-based" health care systems. We pretend to be a Christian nation, but we violate all of

Christ's teachings in our health care system, and hide our hypocrisy behind economic jargon about efficiency and competition and free markets.

For a conscience-challenging essay, read on:

ECONOMICS

(By Uwe E. Reinhardt, Ph.D., Princeton University)

Breakthroughs in the sciences often take the form of replacing 1 hitherto held hypothesis with another. In the social sciences, that process tends to be controversial, because hypotheses usually can be tested only on crude, nonexperimental data that tend to be compatible with numerous rival hypotheses (theories). More often than not, the individual social scientist's allegiance to this or that theory is dictated by that individual's personal predilections.<sup>1</sup> A "breakthrough" in the social sciences, therefore, may be nothing more than the triumph of 1 ideology over another.

During the past decade or so, economics experienced such a breakthrough. Certain theories favored by large segments of the profession, the ideology they embodied, and the felicitous jargon they inspired came to dominate the thrust of American health care policy. Goaded in good part by the writings, teaching, and punditry of economists, American politicians increasingly treated health care as just another private consumer good—certainly no different from food, clothes, and shelter—and physicians and hospitals as mere purveyors of that good. Hand in hand with that notion came the proposition that a free market can produce and distribute health care more "efficiently" than can any other imaginable arrangement. Hand in hand with that proposition, in turn, came the social ethic that the quantity and quality of health care received by individuals can properly vary with their ability to pay for that care.

It is imperative to hedge this assertion at the outset. First, by no means all American economists subscribe to this distributive ethic for health care. Second, by no means all American economists play politics thus in the guide of science. Many of them scrupulously apply scientific methods to identify the trade-offs that require moral choice on the part of policy-makers without packaging their own moral values into their analyses.

Scrupulous economists are mindful that the term "efficiency" has a quite technical meaning that severely limits its proper use in practical applications.<sup>2,3</sup> Every freshman in economics, for example, is or ought to be taught that the more efficient of 2 alternative policies is not necessarily more preferred, unless both policies achieve exactly the same outcome. To illustrate, a cost-minimizing (efficient) policy that succeeds in immunizing only, say, 80% of a target population is not necessarily superior to a more wasteful (inefficient) policy that succeeds in immunizing the entire population. Similarly, one cannot meaningfully compare 2 nation's health care systems in terms of their relative efficiency, if these 2 nations pursue different standards of equity across socioeconomic classes.

Scrupulous economists know that virtually all benefit-cost analyses performed by economists are highly suspect if the benefits and costs in question do not accrue to the same persons.<sup>4</sup> The explanation is simple: If we measure benefits and costs in dollars, then a dollar of benefit (or cost) accruing to a poor person represents a quite different intensity of pleasure (or pain) than a dollar of benefit or cost accruing to a rich person. Following

a dogma first proposed by the British economist Nicholas Kaldor,<sup>5</sup> economists have tried to escape this conundrum with the tenet that, if those who benefit from a social policy gain enough to be able to bribe the losers into accepting that policy, then that policy enhances social welfare even if the bribe never is paid. It is a preposterous sleight of hand.<sup>4</sup> Yet without it, many benefit-cost analyses sold by economists lose their legitimacy.

Economists ought to protest loudly the canard repeated with such distressing frequency during the health system reform debate of 1993 and 1994 that only a "market approach" to health care can avoid "rationing."<sup>6</sup> Every freshman knows that markets are just 1 of many methods of rationing goods and services. Markets do it by price and ability to pay.<sup>7</sup>

Finally, properly trained economists know that when person A derives satisfaction from knowing that individual B consumes a particular commodity (which tends to be true for much of health care), then the prices generated in free markets systematically underestimate the social value of such commodities.<sup>8,9</sup> That important insight is forgotten by economists who model health care simply as just another private consumption good<sup>10</sup> and who would blithely and quite illegitimately impute to, say, a physician visit by a baby from a low-income family a social value equal to the maximum price the baby's parents would be willing (and able) to pay for that visit.

In short, properly trained and scrupulously practicing economists appreciate that their ability to offer normative pronouncement on health policy is much more limited than seems widely supposed among policymakers. Normative economics seeks to prescribe what "ought" to be done. Because public health policy almost always redistributes economic privilege among members of society, such prescriptions almost always involve moral judgments best left to then political arena.

Economists are at their professional best when they offer purely positive, value-free analysis—for example, when they estimate empirically the responses of physicians, in terms of patients seen or hours worked, to ceilings on their fees or to increases in their malpractice premiums. Economists can also produce useful positive analyses by using their empirical estimates to simulate likely responses to proposed policies—for example, the imposition of a mandate on employers to provide their employees with health insurance.<sup>11</sup> Alas, even here ideology may creep in. During the health system reform debate of 1993 and 1994, for example, the opponents of such a mandate had no trouble finding respected economists who imputed to that mandate large losses in employment. These economists assumed that, over time, the cost of the mandate would be passed to employees through lower take-home pay, and that the supply of labor is highly sensitive to changes in take-home pay. On the other hand, policymakers who favored the employer mandate had no trouble finding equally respectable economists who assumed the supply of labor to be rather insensitive to take-home pay, in which case the mandate would lead to only a modest reduction in employment.<sup>12</sup>

As Victor Fuchs<sup>13</sup> has argued, the school of scrupulous economists did not carry the day during the health system reform debate of 1993 and 1994. That debate may have come across to the media and the laity as merely a giant exercise in accounting. In fact, it was the culmination of a decades-old battle over the proper distributive ethic for American health care. The issue can be crystallized in the following pointed question: To the extent that our health system can make it possible,

Footnotes at end of article.