

# EXTENSIONS OF REMARKS

## AMERICA NEEDS THE MARITIME SECURITY ACT

**HON. GERALD B.H. SOLOMON**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1995

Mr. SOLOMON. Mr. Speaker, 50 years ago our world was entrenched in a brutal world war that transformed many facets of the global arena. We would not have won World War II if it were not for the strength of the U.S. merchant marine. If our Nation is to continue being a world leader, we must strengthen our merchant marine fleet. Once the largest in the world, the 5,000-ship fleet has been diminished to a mere 375 ships. We as a nation cannot afford to lose anymore ground to the countries who are taking over the worlds oceans.

Many people ask where a threat is coming from that justifies the cost of strengthening the U.S. merchant marine. I would answer that question with a question. Think back to the night of November 9, 1989, just 6 years ago, when we all rejoiced to see the Berlin Wall being breached and the many Berliners who were dancing at the Brandenburg Gate.

On that night when we celebrated the lifting of the Iron Curtain in Europe and the downfall of the former Soviet Empire, who could have imagined that only 14 months later more than 1 million troops would be poised for battle in the Persian Gulf? Who could have imagined that the United States and its allies would shortly have to begin the largest logistical movement of troops and material since World War II?

My point is simply this: The world remains an extraordinarily dangerous and unpredictable place. There is room for legitimate argument about what the specific priorities in the defense budget should be. But there can be little doubt that we are rapidly reaching the point where America's defense maritime capabilities will be in real jeopardy. This is a risk our country cannot afford to take and we should do anything in our power to see to it that America never repeats the mistakes of the past, the mistakes that produced a hollow military as recently as the late 1970's.

A strong U.S. flag ship fleet will also lead to many economic benefits for our Nation. The creation of over 100,000 at sea and ashore would bring in over \$4.5 billion in household earnings. With major seaports on three coasts, there is no reason why there should not be hundreds of ships being built. At the present time there are only two ships being built in U.S. ports. This production level puts the United States behind Brazil, Croatia, and even Romania in shipbuilding. We cannot afford to lose the technological shipbuilding capabilities that we have at our disposal in America.

If something is not done today to strengthen our merchant marine fleet, the size of the fleet could drop to 100 ships. We are already 16th in the world in fleet size and we simply cannot drop any further. No world power has ever

survived without a merchant fleet and we cannot afford to lose more ground in the global competition.

That is why Congress is now taking steps to fortify our Nation's merchant marine. House Resolution 1350—the Maritime Security Act—which I wholeheartedly support and have sponsored, will stabilize our national security fleet. This bill proposes that \$2 million be set aside each year for 10 years in order to increase the amount of merchant vessels in the U.S. fleet. This same bill passed the House last year, but stalled in the Senate. This year, however, Senator TRENT LOTT has spearheaded the drive to get this bill through the Senate and he believes that this year will be different.

Aside from creating hundreds of thousands of jobs and enhancing our economic base in the maritime industry, the Maritime Security Act will ensure security overseas for all American citizens who depend on the merchant marines. During the Persian Gulf war over 20 percent of goods, ammunition, and supplies were transported on foreign subsidized flag ships. Some of these ships refused to enter into enemy waters to deliver vital goods to our soldiers. This fact is frightening. If we do not strengthen our merchant marine fleet, we will be putting our men and women in the Armed Forces in tremendous danger.

The United States must have a strong fleet of American ships with American trained crews to supply our troops in the event of an emergency or war. During World War II, our own merchant fleet with its American crews sacrificed their lives to provide their comrades in foreign lands with needed supplies. We need to have that security in today's world also, for there are thousands of men and women in the Armed Forces overseas who must not be neglected.

The United States has many global interests that must be preserved. In order to maintain these interests and further America's lead in the global sphere, we must have access to foreign markets through the oceans. The Maritime Security Act will be the first step toward accomplishing that goal by strengthening America's merchant marine fleet. I urge support for this vital legislation.

## THE PRESIDENT'S BALANCED BUDGET PLAN

**HON. LEE H. HAMILTON**

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 22, 1995

Mr. HAMILTON of Indiana. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 21, 1995 into the CONGRESSIONAL RECORD.

### THE PRESIDENT'S BALANCED BUDGET PLAN

In a nationally televised speech President Clinton recently joined congressional leaders in calling for an historic reduction in the federal budget deficit and for a reduction in

the size of government. He stepped from the sidelines on the budget debate and laid out a ten-year route to a balanced budget which dramatically scales back much of what government does. He wants to balance the budget by the year 2005 while still investing in education and training, taking serious steps toward health care reform while protecting its beneficiaries, and targeting modest tax cuts to working families. He calls for real cuts in most areas of government spending other than Social Security.

### DIFFERENCES

Although the President and congressional leadership agree on the broad outlines of balancing the budget, many differences remain. President Clinton would balance the budget over ten years; their plan says seven. He would cut taxes only for the middle class; the House leadership would also cut taxes for upper-income taxpayers. And their tax cuts would be much more costly—\$350 billion versus the \$96 billion the President proposes. The President eliminates \$25 billion in corporate subsidies; they would not. He trims spending for the poor while they cut it sharply. He squeezes Medicare and Medicaid; they cut back these programs much more. Both he and the congressional leadership reach a balanced budget by making fairly optimistic economic projections, such as assuming that interest rates will fall sharply.

The President increases spending on education, training, and medical and scientific research, areas the congressional leadership would cut. On health care the President offers a plan far less ambitious than his original health care reform proposal of a year ago. But he does propose to save \$124 billion from Medicare and \$55 billion from Medicaid; the congressional leadership's cutbacks would be more than twice as much. He reaches the Medicare savings by reducing growth in health care costs, not by asking beneficiaries to pay more.

### NEW STRATEGY

The President has clearly chosen the path of conciliation as a better way for him than continued confrontation with the congressional leadership. He dropped his stand-pat budget which he submitted to Congress in February and joins the chorus to eliminate the deficit. The President has received sharp criticism from some members of his own party as well as some indications of openness from the congressional leadership. He is positioning himself as an independent, centrist leader. He has rightly rejected the strategy of just counterpunching against congressional budget proposals and has indicated that he believes a President's responsibilities rise above politics to leadership.

### GROWING CONSENSUS

There isn't any doubt that Congress and the President are now very serious about bringing the budget into balance. That means the question is not whether to balance the budget but when and how. This is good news. The federal budget has been in the red every year but one, 1969, since the Eisenhower Administration. Public opinion polls which show 80% of the American people favoring a balanced budget have had a strong impact. But quite apart from politics, the economic arguments for a balanced budget are also

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