PERSONAL EXPLANATION

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. PACKARD. Mr. Speaker, on August 6, 1998, I was incorrectly recorded as voting ''aye'' on rollcall vote 405, which was final passage of H.R. 2183. I oppose H.R. 2183 and intended to vote ''no'' on rollcall vote 405.

REGARDING STEEL IMPORTS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 15, 1998

Mr. STOKES. Mr. Speaker, I rise in support of H. Res. 598, the resolution calling on the President to take all necessary steps to respond to the surge of steel imports resulting from the financial crises in Asia, Russia, and other regions for other purposes. I commend my Ohio colleague, Representative JAMES TRAFICANT, Jr., for introducing this resolution that calls for the President of the United States to impose a one year ban on steel imports from Japan, Russia, and Brazil.

During the 1980's, there were massive layoffs in Ohio that I will never forget. There were two steel mills that had gone bankrupt in Warren County, Ohio. Companies that depended on steel dollars filed for bankruptcy. Our tax base was eroded. Ohio had to cut back on vital city and council services.

My State, Ohio and the United States as a whole suffered dramatically from 1980 to 1992. The U.S. steel industry's workforce was cut by 57 percent, eliminating hundreds of thousands of jobs as 450 facilities were closed. Ohio's residents have made extraordinary and painful sacrifices, losing hundreds of thousands of jobs. But out of this, the American steel industry was rebuilt into the most efficient and productive, and the most competitive in the world.

Unfortunately, the dire situation of well over a decade ago is happening again. Newspapers across Ohio carry articles about layoffs at various steel plants. As a nation, we cannot afford to remain silent.

In Cleveland, coils of imported steel are stacked high in every direction. These thousands of coils, as well as the warehouses that are full of imported steel throughout Ohio are just one indication of the surge of imports hitting our shores in recent months. This caused spot prices to fall to levels that we have not seen since the mid 1980's.

Mr. Speaker, the Congress must call on the President to pursue vigorous enforcement of United States trade laws relating to unfair trade practices especially with respect to the significant increase of steel imports into the United States. There is a great need for the President to pursue consultations with officials of Japan, Korea, the European Union, and other nations that may play an important part in eliminating import barriers that affect steel mill products. It is very clear that we must take action to preserve U.S. jobs in the vital sector.

Mr. Speaker, vote ''yes'' on H. Res. 598.

VAIL, CO, ARSON

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. YOUNG of Alaska. Mr. Speaker, I submit three recent newspaper articles concerning issues surrounding the mysterious fires in Vail, CO, to be included in the CONGRESSIONAL RECORD and recommend that my colleagues read them.

[From the Salt Lake Tribune, Oct. 21, 1998]

ROMER TABS RESORT FIRES AS TERRORISM

VAIL, COLO.—Seven separate fires that destroyed a ski lodge and other buildings at 11,000 feet were an ''act of terrorism,'' Gov. Roy Romer said Tuesday as workers resumed an expansion project at the Vail Mountain resort.

''I know that mountain quite well, and it's inconceivable some natural occurrence would cause simultaneous fires on that ridge,'' Romer said at a news conference in Denver, 100 miles to the east of Vail.

The fires broke out early Monday and caused an estimated $12 million in damage, destroying the luxurious Two Elk restaurant, the Ski Patrol headquarters, a picnic spot and four chairlifts.

The fires came after the Rocky Mountain resort on Friday began an 885-acre expansion project that wildlife groups say will make the area uninhabitable for endangered lynx. Cross-country skiers say the project will limit access. The groups have denied any involvement.

State and federal agents were investigating the fires, which burned independent of each other. Two of the buildings destroyed were more than a mile apart.

Vail officials said the nation's busiest ski area would open as planned on Nov. 6.

If the fires are linked to Vail's expansion, they would rank among the worst acts of eco-terrorism in the past decade, said Ron Arnold, executive vice president of the Center for the Defense of Free Enterprise, a Bellevue, Wash., group that tracks ecological crimes.

[From the New York Times, Oct. 22, 1998]

GROUP SAYS VAIL FIRES WERE IN BEHALF OF LYNX

(By James Brooke)

DENVER.—The Earth Liberation Front, a shadowy group that has taken responsibility for a series of arson fires in the Northwest, declared in an e-mail communique Wednesday that the fires atop Vail mountain on Monday were carried out ''on behalf of the lynx.''

''Putting profits ahead of Colorado's wildlife will not be tolerated,'' read the brief statement, which was sent electronically to several Colorado news organizations. ''We will be back if this greedy corporation continues to trespass into wild and unroaded areas.''

The seven fires caused about $12 million worth of damage to buildings and chair lifts along a 11,200-foot-high ridge that overlooks a National Forest area where the Vail ski area started clearing trees on Friday as part of a controversial expansion. Earlier this year, environmentalists, back country skiers and many residents of Eagle County had spoken out at public meetings to block Vail's plan to expand into an area seen as potential habitat for the reintroduction of the lynx in the Colorado Rockies.

Vail, which plans to open for skiing on Nov. 6, is the nation's busiest ski area, selling 1.6 million lift tickets last winter.

Addressing the nation's skiers, the communique warned: ''For your safety and convenience, we strongly advise skiers to choose other destinations until Vail cancels its inexcusable plans for expansion.''

Wednesday evening in Vail, the Eagle County sheriff's office said after receiving the two-paragraph statement by fax: ''Currently investigators are reviewing the origin and the content for credibility and will continue its investigation using this communique as a source for information.''

A Vail Resorts spokesman did not return telephone calls for comment. Although the fires here appear to be in response to a local dispute, security was tightened this week at other ski areas around Colorado, the nation's most popular skiing state.

Barry Clausen, a Northern California researcher who studies terrorist acts claimed by environmental extremists, said Wednesday that the Earth Liberation Front has taken credit for most of the arson fires linked to environmental protests.

He said the language in Wednesday's communique ''is almost identical to other letters the ELF has sent to other victims of arson fires.''

Over the last two years, Clausen said, the Earth Liberation Front has taken credit for five arsons against federal government buildings in Oregon and Washington state.

''We are seeing a decline in small acts of sabotage, against timber and mining, and an escalation of large acts of terrorism,'' Clausen said from his office in Eureka.

Noting that an article criticizing Vail's expansion plans appeared in the May-June issue of Earth First Journal, Clausen said: ''It's a real pattern. Many times articles come out in the Journal. Then, there is sabotage.''

The article, headlined ''Super Vail . . . Super Ugly!'' charged that Vail wanted to ''bring the resort lifestyle into some of the last, best old-growth habitat for lynx in the southern Rockies.'' But the author, Ben Doon, did not advocate violence. Citing legal efforts to stop the expansion, Doon urged readers to contact Ancient Forest Rescue, an environmental group.

In interview in Vail on Tuesday, Jeff Berman, the local representative of Ancient Forest Rescue, appeared depressed by the fires, deserving them as a setback in his battle for public opinion. He asked: ''Does this help us? Of course not.''

Wednesday, Theresa Kintz, editor of the Earth First Journal, said after reading the communique: ''It is entirely possible that it was an ELF action.''

''Personally, I don't have a problem with hitting people like Vail Inc. in their pockets,'' said Ms. Kintz, who dedicates a page of news, headlined ''Earth Night,'' to sabotage actions claimed by the Earth Liberation Front. ''I don't have a problem with seeing their facilities burn down. It's a war.''

''Monkey wrenching and eco-sabotage are strategies that some people feel are justified in some circumstances,'' she continued, using Earth First! jargon for sabotaging machinery. Noting that arson was a new step, she added: ''Classic eco-sabotage would be monkey wrenching bulldozers.''

In its November 1990 edition, the Earth First Journal published a photograph of a bulldozer apparently sabotaged by militants opposed to a ski area expansion near Pagosa Springs, Colo., the only other recent case of environmental terrorism against a Colorado ski area.

[From the Washington Times, Oct. 27, 1998]

RADICAL ENVIRONMENTALISTS TAKE NEW APPROACH

(By Robert Weller)

VAIL, COLO.—Mining and logging, the industries that helped build the West, used to

be favorite targets of environmental extremists. Now they are taking aim at something else—tourism.

Targeting so-called ''industrial tourism,'' the Earth Liberation Front admitted setting fires last week that caused more than $12 million in damage at Vail, the nation's busiest ski resort. The goal was to halt another expansion because of fears it could harm a potential habitat for the lynx, a threatened species of mountain cat.

The mainstream environmental movement denounced the arson, but some are surprised such an attack didn't happen sooner.

''I know in my heart there has been an environmental time bomb waiting to go off in Vail and other ski areas for a long time,'' said environmental writer J.D. Braselton.

The ski areas have also come under attack for creating a widening economic gap between the haves and have-nots near resort towns.

''A classic story in Telluride is of two people who came here to build trophy homes. And they built them on mesas facing each other. Each then filed suit against the other because they didn't want to see another home,'' said Peter Spencer, a former mayor in Telluride, in southwest Colorado.

Such trophy homes ultimately lead to skyrocketing property values, which force the working population to move to less desirable areas and commute many miles over snow-covered mountain passes.

''We lose employees on a regular basis to jobs down valley, where they live,'' said Bob McLaurin, Vail town manager.

He worries that someday there won't be anybody available to answer police or fire calls, or serve tourists in restaurants.

Friends say Edward Abbey, author of the book ''The Monkey Wrench Gang,'' a fictionalized account of his guerrilla-style attacks on mining and dam-building, would turn over in his grave if he could see the effects of the tourism that replaced them.

''There will be more [negative] impact through tourism than all the mining, logging and ranching combined,'' said Ken Sleight, a Moab, Utah, outfitter who served as the model for the outfitter ''Seldom Seen Smith'' in Mr. Abbey's book, which is considered a major force in launching the environmental movement in the Southwest.

Dan Kitchen, an Aspen environmentalist once convicted of cutting down a fence a homeowner had built to keep out wildlife, calls ski areas ''developmental terrorists'' because they finance much of their operations through the sale of million-dollar monster homes.

Colorado traditionalist have another gripe. Tourism and other service jobs pay an average of $13,000 annually, compared with the $40,000 that miners or loggers might earn, says Greg Walcher, president of Club 20, a western Colorado trade promotion group.

They blame past efforts by environmentalists for helping drive away the higher paying jobs, and now see the same pattern surfacing again.

''The environmental movement is at least partly responsible for a massive shift away from our traditional industries. Tourism is all some of these towns have left. An attack on the ski industry is an attack on the economy of western Colorado,'' Mr. Walcher said.

A recent economic study done for the U.S. Forest Service found that from 65 percent to 75 percent of the jobs in the White River National Forest, site of more ski areas than any other national forest, are in tourism.

WHERE THE JOBS ARE

[Many jobs in Colorado countries with ski resorts are tourism-related.]

County	Major ski resort	Tourism jobs	Percent of total	Income ($1,000)	Income (% of total)
Eagle	Vall	12,530	45	236,836	28

WHERE THE JOBS ARE—Continued

[Many jobs in Colorado countries with ski resorts are tourism-related.]

County	Major ski resort	Tourism jobs	Percent of total	Income ($1,000)	Income (% of total)
Pitkin	Aspen	11,854	53	232,459	38
Summit	Breckenridge	11,327	53	182,145	36

Source: 1995 White River National Forest Interdisciplinary Team.

The saying goes that the most common greeting in western Colorado is: ''Can I take your order?''

CONFERENCE REPORT ON H.R. 4328, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 12, 1998

Mr. SHUSTER. Mr. Speaker, earlier this year, the Airline Service Improvement Act, H.R. 2748, was approved by the Transportation and Infrastructure Committee. This bill contained two sections (sections 401 and 402) on airline alliances and Department of Transportation competition guidelines. H.R. 2748 never passed the House. However, sections 401 and 402 were included, without change, in subsections (f) and (g) of section 110 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999.[1] The rationale and purpose of these two provisions are more fully explained in the Committee's report on H.R. 2748. The number of that report is H. Rept. 105–822. The relevant portions of that report are set forth below.

MAJOR AIRLINE ALLIANCES

Alliances between major airlines and regional airlines are quite common. These usually involve code-sharing and other marketing arrangements. However, such alliances between two major airlines are more unusual.

Earlier this year, Northwest and Continental, United and Delta, and American and US Airways announced plans to form 3 separate alliances. These 6 airlines carry about 70% of passengers within the U.S.[2] These airlines contend that their alliances will benefit passengers by increasing the number of destinations and flights they can offer economically. Critics, however, argue that this consolidation will undermine the benefits of deregulation by decreasing competition, which will ultimately reduce passengers' choices and increase fares.

Committee members have differing views on the merits of these alliances. However, the Committee does believe that they raise important issues that should be considered by the DOT. Accordingly, the reported bill establishes a procedure under which DOT is given a specified period of time to review the alliances before implementation.

It is important to note that the reported bill does not expand or diminish DOT's authority to review airline alliances. It simply provides for a waiting period before a proposed alliance can take effect. During that period, DOT can take action it deems necessary under its existing statutory authority. No additional substantive authority is provided by the reported bill.

COMPETITION GUIDELINES

On April 10, 1998, DOT issued a request for comments on an ''Enforcement Policy Regarding Unfair Exclusionary Conduct in the Air Transportation Industry.''[3] It took this action in response to complaints from new entrant airlines that the larger more established airlines were using unfair methods to compete against them.

Under this proposed policy, DOT stated that it would trigger a review, including possible enforcement action, in the following circumstances:

1. When the major airline both adds flights and sells such a large number of seats at very low fares that it ends up losing more money than it would have if it had adopted a more reasonable competitive response;

2. When the major airline carries more passengers at the new airline's low fares than the new airline has in available seats and as a result ends up losing more money than it would have if it had adopted a more reasonable competitive response; or

3. When the major airline carries more passengers at the new airline's low fares than the new airline carries and as a result ends up losing more money than it would have if it had adopted a more reasonable competitive response.

The Committee certainly supports fair competition and believes that new entrants should have a reasonable chance to survive since they often are the catalyst for low fares and improved air service to many communities including the sort of communities that are the focus of this bill.

Many have expressed support for the Department's guidelines. The Attorney General of Iowa, the co-chair of a working group of over 20 states which are reviewing airline competition, stated the proposed guidelines are ''a sound common-sense, and much-needed tool'' with regard to airline competition. In testimony before Congress, Spirit Airlines stated that it was forced out of markets because a major airline, in protecting a monopoly route, was engaging in exactly the type of behavior the Department is proposing to find unlawful. And Alfred Kahn, the father of deregulation, has praised the Department's initiative for promoting competition by providing air carriers clear guidance in distinguishing legitimate competition from what is intended to drive competitors out and exploit consumers.

However, others have expressed concern that the proposed guidelines will not increase competition but may hurt the very communities that they are designed to help by raising air fares and reducing air service, the exact opposite of the goals of the reported bill. Not only the major airlines, but also small and medium-sized airports, airline employees, both liberal and conservative think tanks, and at least one consumer group have indicated their opposition to the guidelines. For example, the Aviation Consumer Action Project stated that the ''DOT initiative in the area of airline competition is likely to effectively prohibit airfare price wars and increase airfares higher than they would otherwise be''[4] and a small airport

[1] See page H11203 of the Congressional Record of October 19, 1998.

[2] Hearings Before the Subcommittee on Aviation of the Senate Committee on Commerce, Science, and Transportation, 105th Congress, 2d Session (June 4, 1998) (Statement of John H. Anderson, Jr., Director, Transportation Issues; Resources, Community, and Economic Development Division, U.S. General Accounting Office).

[3] 63 Fed. Reg. 17919. April 10, 1998.

[4] ''Impact of Recent Alliances, International Agreements, DOT Actions and Pending Legislation on Air Fares, Air Service, and Competition in the Airline Industry'' Hearings before the Subcommittee on Aviation of the House Committee on Transportation and Infrastructure, 105–64, 105th Congress, 2nd Session, (April 30, 1998) 473.