But Pentagon critics of the sale had earlier said they believed that the Chinese wanted the sensitive equipment, which included giant machine tools to shape and bend large aircraft parts, to improve their military capability, Administration officials said. At the time, the Chinese press had reported a Chinese Government plan to cut jetliner production in half, which would have reduced the civilian need for the American equipment.

In the end, some equipment sent from the United States wound up 800 miles from Beijing, at a military complex of the Nanchang Aircraft Company. The satellite photos recently uncovered show that a plant was being built in Nanchang to house a giant stretch press, a major piece of American equipment, even as Catic was telling American officials that the equipment would go to a civilian machining center in Beijing, intelligence officials said.

American officials said other documents in the case suggested that Nanchang had been the intended destination from the start. Nanchang officials, for instance, inspected some of the equipment at a McDonnell Douglas plant in Ohio 1993, before the deal was signed, and then packed up the equipment in late 1994 as it was being shipped to China, the officials said. The plan to build the Beijing machining center, the supposed destination for the equipment, was abandoned before the license was issued.

All that raises some diplomatically sensitive questions.

''We ought to send the Chinese the message that they can't divert our technology with impunity, and an indictment of Catic might even get the Chinese to talk to us seriously about proliferation,'' said Gary Milhollin, the director of the Wisconsin Project on Nuclear Arms Control, which has tracked the procurement activities of Catic in the United States.

Catic and its lawyers declined to answer any questions about the grand jury investigation, which, one witness said, is still in the early stages of taking testimony. Catic is based in Beijing, outside the reach of the grand jury, but records from its subsidiary in Southern California have been subpoenaed, Administration officials said.

A spokesman for McDonnell Douglas, Larry McCracken, said, ''At this point, since these matters are being looked at by the United States Attorney's Office, we have no comment other than to say that McDonnell Douglas has not done anything illegal.''

McDonnell Douglas, an aerospace company based in St. Louis that has agreed to merge with its longtime competitor, the Boeing Company, discovered the diversion in Nanchang in early 1995 and reported it promptly to Commerce Department officials. Commerce Department officials say the unusual conditions they attached at the last minute to the approval for the license enabled them to have the diverted equipment placed under tighter supervision at a civilian location in China.

But that took almost a year. By then, the criminal inquiry by the United States Attorney's Office in Washington and the United States Customs Service had begun. In late spring of 1996, several weeks after the grand jury had subpoenaed records from McDonnell Douglas, a company official tried to obtain the sensitive satellite photos of the Nanchang military site, intelligence officials said.

The request was eventually denied, but the question of why the company official sought the photos has become part of the investigation, intelligence officials said.

The decision to approve the export of the machine equipment pitted national security concerns against economic interests and, in the end, the latter prevailed.

''For the Administration, this has been a difficult decision, weighting jobs against counterproliferation,'' said Adm. Bill Center, who represented the Joint Chiefs of Staff in 1994 in deliberations within the Government about the proposed sale.

Admiral Center said, ''The Joint Chiefs of Staff initially opposed the sale on national security grounds.'' But after considerable discussion, led by White House officials, ''all of us concluded that if McDonnell Douglas didn't sell it, others would, and we wouldn't accomplish anything by saying no.''

Secretary Brown, who died in a plane crash in Croatia last year, intended to raise the issue of economic and security trade-offs when he visited China in 1994. A draft of one of his speeches said, ''Sales of sensitive technologies have been made despite public and political opposition.''

Some sales to China may wind up being examined as part of the various inquiries into possible ties between the Chinese and the Clinton Administration.

The House Government Reform and Oversight Committee, the principal panel looking at campaign finances, has requested the use of Customs investigators who have specialized in export diversion cases, Congressional and Administration officials said.

## CONGRATULATIONS TO THE TUCSON METROPOLITAN CHAMBER OF COMMERCE

### HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 29, 1997*

Mr. KOLBE. Mr. Speaker, the Tucson Metropolitan Chamber of Commerce was founded as the Tucson Grocer's Association on October 31, 1896, by six civic-minded businessmen with the purpose to unite the business interests of Tucson, or of Tucson trade, and oppose anything tending to their injury. Since that time, the chamber has evolved into the largest Chamber of Commerce in Arizona, representing over 3,000 businesses and 75,000 employees.

Over the past 100 years, the chamber has worked steadfastly to further the interests of Tucson and Arizona. I would like to take this opportunity to mention some of their achievements.

The chamber worked faithfully to help Arizona achieve statehood. When a lavish reception for the Senate Committee exploring statehood apparently failed to impress, chamber leaders traveled to Washington to press the case personally.

In the early part of this century, the chamber organized and financed the first municipal airport in the United States and later helped establish what was to become Davis-Monthan Air Force Base. Sixty-seven years later, the chamber was also among the organizations working to successfully keep Davis-Monthan open as a security asset for the entire Nation.

In response to the growing need for the treatment of tubercular patients, particularly veterans of World War I, the chamber sent representatives to Washington to lobby for a veterans hospital and then raised the money from its own membership to pay for the building supplies. The chamber also borrowed the money to purchase the land where the current veterans hospital is established.

The chamber spearheaded and often financed infrastructure projects for the development of the community including schools, roads, and water projects.

The chamber donated the land to lure the U.S. Magnetic Laboratory to the desert, beginning a trend that has resulted in Tucson becoming a world recognized center for optics.

Since its inception, the chamber has been active in encouraging trade with our southern neighbor, Mexico. The organization lobbied Mexico City directly in the late 1800's, to establish a customs house, and it recently lobbied our State Department to successfully retain the U.S. consulate in Hermosillo—a critical link for trade and services for both countries.

The Tucson Metropolitan Chamber of Commerce continues to benefit southern Arizona in many other ways. I would like to take this opportunity to congratulate the chamber on its first 100 years of work and wish the organization well in achieving its goals for the next century.

## THE ARMENIAN GENOCIDE

### HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 29, 1997*

Mr. LIPINSKI. Mr. Speaker, I rise today on behalf of the Armenian community in my district to mark the 82d anniversary of an unspeakable tragedy. I am referring to the genocide which claimed the lives of 1.5 million Armenians by the Ottoman Empire. Because this story has been held silent for so long, I am proud to take a few minutes to honor the victims of the genocide.

The Armenian genocide was the culmination of a long effort by the Ottoman Turks to destroy the Armenian people. During the decades preceding the First World War, the Ottoman Government tried repeatedly to achieve this goal. In 1895, 300,000 Armenian lives were claimed. In 1909, another 30,000 died before the Western powers intervened to stop the violence. This tragedy remains unrecorded in Turkish history today.

World War I provided the means for the Turkish Government to once again set out to destroy the Armenian community. With Europe and the United States occupied in war, the Ottoman Empire was able to carry out their designs without any intervention. Beginning the crusade on April 24, 1915, the genocide claimed the lives of Armenian leaders and lasted until 1923.

It is estimated that 1.5 million Armenians died at the hands of the Ottoman Empire—half of the world's Armenian population at that time. By 1923 the Turks had successfully erased nearly all the remnants of the Armenian culture which had existed on the homeland for 3,000 years.

As we take a look at the tragedy today, we see the memory of the victims insulted by those who say the genocide did not happen. A well-funded propaganda campaign forces the Armenian community to prove and reprove the facts of the genocide. This is itself a tragedy for people who would rather devote their energy to commemorating the past and rebuilding the future.

I stand here today to say that the genocide did happen. Nobody can erase the painful

memories of the Armenian community. Nobody can deny the graphic photos and historical references. And nobody can claim that Armenians live where their ancestors thrived 80 years ago.

It is our responsibility and duty to keep the memories of the genocide alive. A world that forgets these tragedies is a world that will see them repeated again and again. This story, and others like it, must be talked about so all know the truth.

We must also honor the victims of this brutal massacre. We cannot right the terrible injustices that have been inflicted on the Armenian community, nor can we ever completely heal the wounds. But by properly commemorating this tragedy, Armenians will be reassured that the world has not forgotten the misery of those years. Only then will Armenians begin to receive the justice they deserve.

## INTRODUCTION OF THE COMPUTER DONATION INCENTIVE ACT

### HON. DEBBIE STABENOW

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 29, 1997*

Ms. STABENOW. Mr. Speaker, I rise today with Congresswoman ANNA ESHOO as lead cosponsor of the Computer Donation Incentive Act. This legislation will provide enhanced tax incentives to corporations that donate computers, software, and computer training to public schools and to organizations that support individuals with disabilities.

One of my top priorities in representing the Eighth District of Michigan is to ensure that every school has the latest technology in their classrooms. To accomplish this important goal, we cannot look to Government alone to provide support; rather, we need to encourage partnerships and community investment. I am leading this legislation because I believe our communities, businesses and local governments need to work together if we are going to retool our schools for the 21st century.

Under current law, computer donations from computer manufacturers to private schools, colleges, and universities qualify for an enhanced tax deduction, similar donations to public schools do not. I believe this law needs to be changed.

Having a daughter in the public school system and a son who graduated from a public school, I am deeply committed to strengthening our public schools. I believe that we all have a stake in guaranteeing the best possible public schools in every neighborhood, in every community, and in our country. The Computer Donation Incentive Act amends the Internal Revenue Code of 1986 to give all companies the enhanced tax deduction when donating to public schools.

Second, it is not only important that our public schools receive computers, but that our teachers receive the training they need, as well. This legislation also designates up to 8 hours of computer training as a charitable contribution.

In my district, I have been leading efforts such as NetDay and the passage of the Computer Donation Incentive Act because I believe that it is imperative that our students stay competitive in the computer-literate work force of the global market. The Computer Donation Incentive Act will go a long way in encouraging more companies to invest in schools and their communities.

Mr. Speaker, I am thankful for Congresswoman ESHOO's leadership on this issue and I am very proud to be able to work with her as lead cosponsor on passage of this legislation. I am equally pleased with the bipartisan list of original cosponsors that have endorsed this legislation. As a new Member of Congress, I am heartened by this cooperative spirit and I encourage all of my colleagues in the House of Representatives to join us in passing the Computer Donation Incentive Act.

## TRIBUTE TO MARTIN G. PICILLO, ESQ.

### HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 29, 1997*

Mr. PASCRELL. Mr. Speaker, I would like to bring to your attention Martin G. Picillo, Esq. of Berkeley Heights, NJ, who is being honored by the New Jersey State Opera for his support of the arts and their organization.

Martin is a graduate of Georgetown University School of Foreign Service and Georgetown University Law Center. Currently, he is a trial attorney and senior partner at the law firm of Picillo Caruso in West Orange. On April 7, 1997, Martin assumed the presidency of the Essex County Bar Association which is the largest county bar association in the State. In addition to his distinguished law career, Martin is also the cofounder of New Jersey Awareness Day, and has been very active in numerous local and national bar associations.

He has been a member of the Benevolent and Protective Order of Elks, Lodge No. 179 in Orange, NJ since 1961, and is active in a number of Italian-American organizations including UNICO National, the largest Italian-American service organization in the country. Within the organization, Martin has held numerous offices including national president. Presently, he is president of NIACA, conference of presidents of major Italian-American organizations. An active member of the city of Orange, Martin has been a member and attorney for several boards, has served as deputy commissioner of the Department of Public Affairs, and has served as presiding judge of the municipal court. In addition to this impressive list of civil contributions, Martin has also served as president of the Parent-Teacher Guild and as an elected member of the Parish Council of Our Lady of the Valley Church.

Mr. Speaker, I ask that you join me, our colleagues, and Martin's family and friends, in recognizing the outstanding and invaluable contribution to the community of Martin G. Picillo.

## COMMENDING NEWTON MINOW

### HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, April 29, 1997*

Mr. YATES. Mr. Speaker, I would like to take this opportunity to introduce an old and dear friend to you and my colleagues in the House, the Honorable Newton N. Minow. In days past Newton was the law partner of the greatest two-time loser in American politics, the late Gov. Adlai Stevenson of Illinois. During the early 1960's Newt was head of the Federal communications Commission [FCC] and in describing the marvels of television coined the phrase ''a vast wasteland.'' He is currently a partner in the Chicago law firm of Sidley & Austin. Two weeks past, this next Wednesday, April 16, the Economic Club had the good fortune to share in Newt's wisdom and wit.

I enjoyed Newt's speech so much that I requested he send me a copy so I could bring it to the attention of my colleagues. Mr. Speaker, I would like to insert Mr. Minow's speech into the CONGRESSIONAL RECORD.

I commend Newton Minow for his past contributions to public service and I urge my colleagues to read the following statement.

The speech follows:

ECONOIC CLUB SPEECH

Campaign spending is as old as the republic. When George Washington ran for the Virginia House of Burgesses in 1757, his total campaign expenditures, in the form of ''good cheer,'' came to ''28 gallons of rum, 50 gallons of rum punch, 34 gallons of wine, 36 gallons of beer, and 2 gallons of cider royal.''

Today, the era of good cheer is gone. For four decades now, campaign expenditures have been driven relentlessly upward by one thing: television. In 1960, in what would be the first presidential campaign to make wide use of television, Democrats and Republicans together spent $14.2 million on radio and television commercials. In 1996, candidates for federal office spent more than 128 times that amount on television and radio commercials, an estimated $1.8 billion.

After the presidential campaign scandals of 1972, Congress tried in 1974 to end the suitcases of cash which sloshed around campaigns in return for favors. But as we now know—and continue to learn—the 1974 campaign reform law has failed to solve the problem.

In the 1996 federal elections, the campaign finance laws were bent beyond recognition. We learned about the availability of the Lincoln bedroom to major contributors; the President's meeting with a convicted stock swindler, a Chinese arms merchant, and others of dubious background and intention; the Vice President's raising campaign cash at a Buddhist temple; and the Republicans soliciting ''season ticket holders,'' donors of $250,000 who hoped for special treatment for their special interests, including access to important government officials. And don't forget Congressional censure of Newt Gingrich for mixing campaign cash with his television program. The only bipartisan agreement in Washington these days is on one proposition: ''Show me the money!''

Strict limits on campaign contributions imposed by the 1974 Act were washed away this year in a flood of ''soft money,'' donations not limited by law because of the foolish fiction that such money was not used to support or oppose particular candidates. Together, the two parties collected $88 million in soft money in 1992; last year they multiplied this by three—to $263.5 million.

Interest groups ranging from the AFL–CIO to the U.S. Chamber of Commerce bathed in another form of soft money, which they used to broadcast so-called ''issue'' commercials. Theoretically, at least, issue commercials are not supposed to advance or oppose anyone's candidacy, and so are exempt from the 1974 law's requirement of full disclosure of who contributes money and how that money gets spent.