

state and local law enforcement accounts is greatly appreciated. Eric's ability to provide keen insight and a friendly manner toward any task he is asked to deal with assured a competent resolution.

Eric's professionalism, wit, and jovial manner will be missed. Agent Harnischfeger exemplifies the high standards that the Secret Service is known for and has done an excellent job for us. I just want to thank him publicly for all his efforts over the past year. Based on his performance here, I am sure he has a bright future at the Service. We wish him the very best.●

ON THE DEATH OF AKIO MORITA

● Mr. MOYNIHAN. Mr. President, today I rise to note the passing of Akio Morita, the brilliant Japanese business leader who did so much to rebuild his country after World War II. I ask that his obituary that appeared in the October 4 New York Times be printed in the RECORD.

The obituary follows:

[From the New York Times, Oct. 4, 1999]
AKIO MORITA, CO-FOUNDER OF SONY AND
JAPANESE BUSINESS LEADER, DIES AT 78
(By Andrew Pollack)

Akio Morita, the co-founder of the Sony Corporation who personified Japan's rise from postwar rubble to industrial riches and became the unofficial ambassador of its business community to the world, died on Sunday in Tokyo. He was 78.

Mr. Morita died of pneumonia, according to Sony. He had been hospitalized in Tokyo since August, after returning from Hawaii, where he had spent most of his time since suffering a debilitating stroke in November 1993. More than anyone else, it was Mr. Morita and his Sony colleagues who changed the world's image of the term "Made in Japan" from one of paper parasols and shoddy imitations to one of high technology and high reliability in miniature packages.

Founded in bombed-out Tokyo department store after World War II, Sony became indisputably one of the world's most innovative companies, famous for products like the pocket-sized transistor radio, the videocassette recorder, the Walkman and the compact disk.

And Mr. Morita, whose contribution was greater in marketing than in technology, made the Sony brand into one of the best known and most respected in the world. A Harris poll last year showed Sony was the No. 1 brand name among American consumers, ahead of American companies like General Electric and Coca-Cola.

A tireless traveler who moved his family to New York in 1963 for a year to learn American ways, Mr. Morita also spearheaded the internationalization of Japanese business. Sony was the first Japanese company to offer its stock in the United States, in 1961, one of the first to build a factory in the United States, in 1972, and still one of the only ones to have even a couple of West-erners on its board.

Sony also became a major force in the American entertainment business, acquiring CBS Records in 1988 and Columbia Pictures, the Hollywood studio, in 1989. The latter purchase, however, turned into an embarrassing debacle as Sony suffered big losses in Hollywood.

A JAPANESE EXECUTIVE AMERICANS RECOGNIZED

In the process, Mr. Morita, with his white mane and quick tongue, became the unoffi-

cial representative of Japan's business community, generally working to smooth trade relations between his country and the United States, but sometimes stirring resentment in both countries with his pointed criticisms.

"He was truly a statesman par excellence in a business sense," Mike Mansfield, the former senator and United States Ambassador to Japan. "Internationally, he did more for Japan in a business sense than anyone else in Japan."

In Japan, Prime Minister Keizo Obuchi, who was one of several hundred people to visit Mr. Morita's Tokyo home following his death, called Mr. Morita "a leading figure who played a pivotal role in developing Japan's postwar economy," according to Kyodo News Service.

Sony's current president, Nobuyuki Idei, said in a statement, "It is not an exaggeration to say that he was the face of Japan."

To the day of his death, nearly six years after the stroke that removed him from an active role in business, he was still no doubt Japan's most famous business executive, and the only one many Americans could name or recognize in a photograph. Time magazine recently selected him as one of 20 "most influential business geniuses" of the 20th century, the only non-American on the list.

In his own country, where executives tend to be self-effacing, Mr. Morita was viewed as a bit flamboyant and arrogant. He was the first to fly around in a corporate business jet and helicopter. He appeared in a television commercial for the American Express card. He served on the boards of three foreign companies. He took up sports like skiing, scuba diving and wind surfing in his sixties. He cavorted with the rock star Cyndi Lauper after Sony bought CBS Records.

Shortly before he suffered his stroke, Mr. Morita made waves in his home country by saying that Japan was like a "fortress" and that its unique business practices were alienating its trading partners." Although there is much to commend in Japan's economic system, it is simply too far out of sync with the West on certain essential points," he wrote in *The Atlantic Monthly* in June 1993.

He advocated shorter working hours, more dividends for stockholders of Japanese companies and a sharp cutback in government regulation. Now, as Japan struggles through an economic slump that has lasted most of the decade, some of what Mr. Morita advocated is being adopted.

"Japan was coming closer to him and seeing the need for that kind of leadership," said Yoshihiro Tsurumi, professor of international business at the Baruch Graduate School of Business at the City University of New York.

NEVER COMFORTABLE IN WEST'S BUSINESS WORLD

Mr. Morita entertained frequently and counted many American businessmen and politicians as his friends. "He not only made it Sony's business but his own personal business to become intimately acquainted with American society at all levels," said Peter Peterson, an investment banker who is on Sony's board of directors. "I can recall playing golf with Akio, watching him greet and interact with every American C.E.O. on the course, all of whom seemed to know him as a personal friend."

In his book "Sony: The Private Life" (Houghton Mifflin, 1999) John Nathan suggests that Mr. Morita, a Japanese traditionalist at home, was never really comfortable in the Western business world.

Mr. Nathan, a Japanese translator and University of California professor of Japanese culture who was granted free access to Sony executives, quotes Mr. Morita's eldest son, Hideo, as saying of his father, "He had to 'act'—I'm sorry to use that word but I can't help it—he had to act as the most international-understanding businessman in Japan." But, Hideo adds, "It was never real."

And Sony's current president, Mr. Idei, is quoted as saying: "Japanese of the generation before mine had an inferiority complex about foreigners. Akio Morita himself was a living inferiority complex."

Despite being virtually synonymous with Sony, especially outside Japan, Mr. Morita did not actually become the company's president until 1971 and its chairman and chief executive until 1976. Before that, he was the junior partner to Masaru Ibuka, an engineering genius who, while not as widely known in the West, is considered in Japan to be the main founder of Sony. Mr. Ibuka died in December 1997 at the age of 89.

AN EARLY FASCINATION LEADS TO A CAREER SHIFT

Akio Morita was born on Jan. 26, 1921, into a wealthy family in Nagoya, an industrial city in central Japan. As the eldest son, he was groomed from elementary school age to succeed his father as president of the sake brewery that had been in the family for 14 generations.

But in junior high school, Akio became fascinated by his family's phonograph, an appliance rare in Japan at that time. He became an avid electronics hobbyist, building his own crude phonograph and radio receiver. He studied physics at Osaka Imperial University as World War II was starting. Mr. Morita enlisted in the Navy under a program that would allow him to do research instead of serving in combat.

It was while developing heat-seeking weapons that Mr. Morita first worked with Mr. Ibuka, 13 years his senior, who before the war had started an electronic instrument company.

After the war, Mr. Ibuka set up a new company in a bombed-out department store in Tokyo, making kits that converted AM radios into short-wave receivers. Mr. Morita happened to read a newspaper article about this and contacted his old friend. The next year, when Mr. Ibuka wanted to incorporate the company, he asked Mr. Morita to join.

Mr. Morita, Mr. Ibuka and another executive traveled to the Nagoya area to implore Mr. Morita's father to release his son from the family business. The elder Mr. Morita not only agreed, he also later became a financial backer of the new company, Tokyo Tsushin Kogyo, or the Tokyo Telecommunications Engineering Corporation, which was inaugurated on May 7, 1946, with an investment of about \$500.

The company produced Japan's first reel-to-reel magnetic tape recorder. A few years later it licensed the rights to the transistor from Bell Laboratories, after overcoming resistance from the Ministry of International Trade and Industry. Bell Labs officials warned that the only consumer use would be for hearing aids.

But Sony used them to produce Japan's first transistor radio in 1955. (An American company, Regency, produced the world's first a few months earlier but did not succeed in selling it.) In 1957, Sony came out with what it termed a pocket-sized transistor radio. But the radio was actually a bit too big for most pockets, so Mr. Morita had Sony salesmen wear special shirts with extra-large pockets.

There followed the Trinitron television in 1968; the first successful home VCR, the Betamax, in 1975; the Walkman personal stereo in 1979, and the compact disk, developed with Philips N.V. of the Netherlands, in 1982.

Not all products were successful. Sony has stumbled several times trying to sell personal computers. And in 1981, Mr. Morita announced the Mavica, a digital camera that

recorded pictures on a floppy disk instead of on film. But the camera did not come to market and critics accused Mr. Morita of making a premature announcement to bur-nish Sony's image as an innovator.

STEERING CONSUMERS TO PRODUCTS THEY WANT

Mr. Morita did not believe in market research. "Our plan is to lead the public with new products rather than ask them what kind of products they want," he declared in his autobiography, "Made in Japan." (E. P. Dutton, 1986), written with the journalists Edwin M. Reingold and Mitsuko Shimomura. "The public does not know what is possible, but we do."

Mr. Morita prided himself in particular on the Walkman, the portable stereo cassette player with headphones. Actually, according to the company's official corporate history, it was Mr. Ibuka who came up with the idea for the portable product. But Mr. Morita pressed hard for the project, overcoming resistance within Sony to a tape player that, in its early versions, could not record. Mr. Morita, despite initial reservations about the awkward name, eventually ordered all Sony subsidiaries around the world to begin using it.

From the start of the company, however, Mr. Morita was much more involved in marketing, while Mr. Ibuka handled technology development. And from the start, he had an international orientation, traveling to New York and Europe in the 1950's to sell the company wares.

Such international focus was needed because as a new company, Sony had some trouble breaking into its home market, where more established manufacturers had close relationships with retailers. Indeed, Japan's other big postwar success, the Honda Motor Company, also succeeded first in the United States and to this day sells more cars in American than in Japan.

Mr. Morita soon realized that the company needed a name that foreigners could pronounce and remember. So in 1958 the company name was changed to Sony, derived from the Latin *sonus*, meaning sound, and from the American vernacular "sonny boy," which Mr. Morita hoped would purvey a young image.

One of Mr. Morita's cardinal tenets was to foster and protect the company's brand name. Early on, Bulova, the watch company, said it would order 100,000 radios but would sell them under its own name. Mr. Morita turned down the huge order. His colleagues back in Tokyo thought he was crazy. But, Mr. Morita wrote in his autobiography, "I said then and I have said it often since: It was the best decision I ever made."

Mr. Morita's worst decision might have been with the Betamax, the first successful consumer VCR. Sony did not readily license its technology to other electronics companies. So most of its Japanese rivals banded together behind the VHS system, which offered longer recording time. Eventually, the Betamax was run out of the market.

Sony evolved into a company that, by Japanese standards at least, was very Westernized, though in many ways it was traditionally Japanese. All company employees, from the president on down, wore company jackets, a common practice in Japan. But Sony's uniforms were created by the designer Issey Miyake.

Mr. Morita first criticized some of his own country's business practices in 1966, when he wrote a book published in Japanese, with a title that might loosely translate as "An Essay on the Useless School Career." He criticized Japanese companies for hiring and promoting people based only on what college they had attended. Sony stopped even asking applicants the name of their college, and it

was one of the first Japanese companies to base salaries partly on merit instead of solely on seniority.

TRIED TO REDUCE U.S. TRADE TENSIONS

Perhaps because of Sony's dependence on exports, Mr. Morita tried to reduce trade tensions with the United States. In the late 1960's, Sony forged a temporary joint venture with Texas Instruments Inc., then the world's leading semiconductor company, allowing it to set up operations in Japan.

In 1972, Mr. Morita set up a subsidiary to export American products, like Regal cookware and Whirlpool refrigerators, to Japan.

"Selling pans and cookware and refrigerators was not our bag, but Akio believed in doing something for the U.S.-Japan relationship," said Sadami (Chris) Wada, who ran that effort and then handled government relations for the Sony Corporation of America for many years. The operation was abandoned some years later as unsuccessful.

In 1988, Mr. Morita founded the Council for Better Corporate Citizenship, made up of Japanese companies. At a time when Japanese politicians were angering African-Americans with insensitive remarks, one of the council's first projects was to make thousands of copies of an abridged version of "Eyes on the Prize," the American television documentary about the struggle of blacks for equal rights, and distribute it to high schools in Japan.

Mr. Morita was not adverse to using his influence among American politicians and business executives to lobby for Sony. He barnstormed the United States in 1984, meeting with governors and with President Reagan, threatening to build Sony factories only in states that did not have the "unitary tax," which was levied against a multinational corporation's global earnings, not just those in the state. Eventually California and other states scrapped the tax.

But while Mr. Morita was often perceived as a friend of the United States, he was often critical of it and proud of being Japanese, flying his country's flag over Sony's New York showroom when it opened in 1962. He often told a story of how ashamed he was on his first trip to Germany in 1953. At a restaurant, he ordered ice cream, and it was served with a small paper parasol stuck in it. "This is from your country," the waiter said.

HAILING THE SUCCESS OF THE JAPANESE WAY

In the 1980's, when Japan seemed on top of the world, Mr. Morita was among the most vocal of the Japanese executives in criticizing American business and hailing the success of the Japanese model.

He said American managers were financial paper shufflers who "can see only 10 minutes ahead" and were not interested in building for the long term. And he said that because American companies were losing interest in manufacturing, the United States was "abandoning its status as an industrial power." Those factors, he said, and not trade barriers, were the reason for America's trade deficit with Japan.

"There are few things in the United States that Japanese want to buy, but there are a lot of things in Japan that Americans want to buy," he wrote in 1989. "This is at the root of the trade imbalance. The problem arises in that American politicians fail to understand this simple fact."

In 1989, Mr. Morita was the co-author, along with a nationalist politician, Shintaro Ishihara, of "The Japan That Can Say No," a book that urged Japan to stand up to American trade demands, which it said were motivated partly by racism. The book also said Japan had the power to change the world balance of power by selling its advanced computer chips to the Soviet Union instead of the United States.

Even though those strident remarks were generally in the chapters Mr. Ishihara wrote, the book created a stir when an unauthorized translation made its way around Washington. Mr. Morita frantically backpedaled, saying the book had not been intended for an American audience. And he refused to authorize an English translation.

\$3.2 BILLION LOST IN HOLLYWOOD VENTURE

It was later that year that Sony paid \$3.4 billion to buy Columbia Pictures, a purchase driven largely by Mr. Morita, who thought that if Sony had owned a studio issuing movies in the Beta format, it would not have lost the VCR wars.

Although Sony prided itself on being more Americanized than its Japanese rivals, the purchase became a lightning rod for American concern about a wave of Japanese acquisitions of American companies and real estate. "Japan Invades Hollywood" read the cover of Newsweek. In Japan as well, Sony came in for criticism for stirring up anti-Japanese feeling in the United States.

Mr. Morita had a simple answer. "If you don't want Japan to buy it, don't sell it," he told New York Times reporter shortly after the purchase. Nevertheless, sensitive to concerns, he promised that the studio would be run by Americans and would be free even to make a movie critical of Japan's emperor. Worse than misjudging the political reaction, however, the seemingly sophisticated Sony proved to be a babe in the woods in Hollywood.

Sony is generally considered to have overpaid for the studio, and it paid several hundred million dollars more to hire managers away from Warner Brothers—provoking a costly fight with that studio. Those managers, in turn, spent money extravagantly and produced a sting of box office bombs. Mr. Morita and his successor as Sony chief executive, Norio Ohga, perhaps because they were worried about stirring up anti-Japanese sentiment, exercised little oversight.

In late 1994, in one of the most embarrassing moments in its history, Sony announced that it would suffer a loss of \$3.2 billion from its investment in Hollywood. But it has stuck with the studio, now called Sony Pictures Entertainment, and appears to be turning it around.

The Morita name will live on at Sony because many members of Mr. Morita's family are involved in the company.

Besides his wife, Mr. Morita is survived by his wife, Yoshiko; his eldest son, Hideo, who now runs the sake brewery and other family businesses; a younger son, Masao, an executive with Sony Music Entertainment in Japan; and a daughter, Naoko Okada, who also lives in Japan. He is also survived by his brother Kazuaki, who volunteered to take over the family sake brewery in Mr. Morita's stead; another brother, Masaaki, a long-time Sony executive, and a sister, Kikuko Iwama, who was married to the late Kazuo Iwama, a former president of Sony.

A LONGTIME OUTSIDER IS EMBRACED AT LAST

In the 1990's, corporate Japan, worried about escalating trade tensions, turned to Mr. Morita, whom it once considered an arrogant maverick, to be its official leader. Mr. Morita was slated to become chairman of Keidanren, Japan's most powerful business lobbying organization, a post that had always gone to the head of a company in an old-line heavy industry like steel.

But on Nov. 30, 1993, while playing his usual 7 A.M. Tuesday tennis game, Mr. Morita suffered a cerebral hemorrhage. A year later, just days after Sony announced its huge Hollywood loss, Mr. Morita, in a wheelchair, attended a Sony board meeting in Tokyo and resigned as chairman.

He had spent much of his time since then undergoing rehabilitation at his beachfront

home near Diamond Head on the Hawaiian island of Oahu. At first, Mr. Morita was able to speak a little, shake hands and hit back tennis balls spit out by a machine, according to Mr. Wada, the retired Sony government relations manager.

But more recently, Mr. Wada said, Mr. Morita had lost the ability to speak and communicated mainly through eye contact with his wife. The couple's Christmas greeting card last year had a message from Mrs. Morita saying her husband rose at 6 A.M., retired at 9 P.M. and spent much of the day in rehabilitation. "He may be overeating," she said, mentioning his fondness for eel.

Until he was taken to the hospital in Tokyo in August, Mr. Morita had not returned to Japan for more than two years because of concerns that flying would further damage his health. He did not attend the 1997 funeral of Mr. Ibuka.

But Sony officials still visited him in Hawaii to keep him up to date on the business and show him new products. In January 1998, some 200 executives, friends and dignitaries came to Hawaii to attend a party for Mr. Morita's 77th birthday, considered a lucky age in Japan.●

TRIBUTE TO SISTER ELIZABETH CANDON

● Mr. JEFFORDS. Mr. President, it is with great pleasure that I rise today in honor of an extraordinary Vermont woman, Sister Elizabeth Candon. On January 1, 2000, Sister Elizabeth will retire from her post as Professor of English at Trinity College, and from a long career in public service. Whether in the role of teacher, college President, or public official, Sister Elizabeth has been a steadfast leader for women and a true advocate for those in need. She is and will remain a stunning example of how one person can positively affect so many.

In 1939, Sister Elizabeth Candon began her life of public service when she became a Religious Sister of Mercy. Educated at Trinity College and Fordham University, Sister Elizabeth started her career in 1954, when she returned to her alma mater as an Associate Professor of English and Director of Admissions. In 1966, she became a full Professor of English and Trinity College's President, a post she would hold until 1976.

In 1977, Sister Elizabeth left the world of academia to try her hand at state government. At the request of Vermont's Governor, Richard Snelling, Sister Elizabeth took the helm of Vermont's largest agency as Secretary of Human Services. As the first woman in Vermont history to serve as Secretary and the only woman in the Governor's cabinet, Sister Elizabeth quickly became a role model for Vermont women. Her tenure as Secretary also provided her with an opportunity to effect change and help those in need. Under her leadership, community based programs were developed and as a result, the Windsor State Prison and Vergennes' Week's School were both closed. This restructuring allowed the beneficial programs administered at these sites to be relocated throughout the state.

Sister Elizabeth was and continues to be tireless in her efforts to institute programs on behalf of those in need of mental health and developmental disabilities services. To this day she is remembered for her motto, "anything is possible if it matters not who gets the credit." Consequently, this legacy has woven its way into the mission of the Agency of Human Services.

Since returning to teaching at Trinity as Professor of English in 1983, Sister Elizabeth has continued to bring the beauty and inspiration of Shakespeare and Chaucer to her students. During this time, her steadfast leadership in community and public service has continued.

I should also acknowledge that throughout her career, Sister Elizabeth has served on many boards and Councils, further extending her influence on the issues important to her and to Vermonters. She sat on the Vermont Council on the Humanities and Public Issues, the Board of Directors for the United Community Service of Chittenden County, and the Board of Directors of Howard Mental Health Services. She also served as Trustee of Middlebury College and as Chairperson of the State Task Force on Funding for Special Education. She remains a trustee at the Richard A. Snelling Center for Government and a Director of the Vermont Ethics Network.

As we celebrate Sister Elizabeth's 46 year career of service to the people of Vermont, I know she will continue to contribute in the years to come. As a Sister of Mercy, she brings honor to her religious community and touches the lives of those around her. While she is retiring at the end of this millennium, her legacy will live on well into the next.●

ELECTRONIC BENEFIT TRANSFER INTEROPERABILITY AND PORTABILITY ACT OF 1999

S. 1733, passed during today's session, follows:

S. 1733

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Electronic Benefit Transfer Interoperability and Portability Act of 1999".

SEC. 2. PURPOSES.

The purposes of this Act are—

- (1) to protect the integrity of the food stamp program;
- (2) to ensure cost-effective portability of food stamp benefits across State borders without imposing additional administrative expenses for special equipment to address problems relating to the portability;
- (3) to enhance the flow of interstate commerce involving electronic transactions involving food stamp benefits under a uniform national standard of interoperability and portability; and
- (4) to eliminate the inefficiencies resulting from a patchwork of State-administered systems and regulations established to carry out the food stamp program

SEC. 3. INTEROPERABILITY AND PORTABILITY OF FOOD STAMP TRANSACTIONS.

Section 7 of the Food Stamp Act of 1977 (7 U.S.C. 2016) is amended by adding at the end the following:

"(k) INTEROPERABILITY AND PORTABILITY OF ELECTRONIC BENEFIT TRANSFER TRANSACTIONS.—

"(1) DEFINITIONS.—In this subsection:

"(A) ELECTRONIC BENEFIT TRANSFER CARD.—The term 'electronic benefit transfer card' means a card that provides benefits under this Act through an electronic benefit transfer service (as defined in subsection (i)(11)(A)).

"(B) ELECTRONIC BENEFIT TRANSFER CONTRACT.—The term 'electronic benefit transfer contract' means a contract that provides for the issuance, use, or redemption of coupons in the form of electronic benefit transfer cards.

"(C) INTEROPERABILITY.—The term 'interoperability' means a system that enables a coupon issued in the form of an electronic benefit transfer card to be redeemed in any State.

"(D) INTERSTATE TRANSACTION.—The term 'interstate transaction' means a transaction that is initiated in 1 State by the use of an electronic benefit transfer card that is issued in another State.

"(E) PORTABILITY.—The term 'portability' means a system that enables a coupon issued in the form of an electronic benefit transfer card to be used in any State by a household to purchase food at a retail food store or wholesale food concern approved under this Act.

"(F) SETTLING.—The term 'settling' means movement, and reporting such movement, of funds from an electronic benefit transfer card issuer that is located in 1 State to a retail food store, or wholesale food concern, that is located in another State, to accomplish an interstate transaction.

"(G) SMART CARD.—The term 'smart card' means an intelligent benefit card described in section 17(f).

"(H) SWITCHING.—The term 'switching' means the routing of an interstate transaction that consists of transmitting the details of a transaction electronically recorded through the use of an electronic benefit transfer card in 1 State to the issuer of the card that is in another State.

"(2) REQUIREMENT.—Not later than October 1, 2002, the Secretary shall ensure that systems that provide for the electronic issuance, use, and redemption of coupons in the form of electronic benefit transfer cards are interoperable, and food stamp benefits are portable, among all States.

"(3) COST.—The cost of achieving the interoperability and portability required under paragraph (2) shall not be imposed on any food stamp retail store, or any wholesale food concern, approved to participate in the food stamp program.

"(4) STANDARDS.—Not later than 210 days after the date of enactment of this subsection, the Secretary shall promulgate regulations that—

"(A) adopt a uniform national standard of interoperability and portability required under paragraph (2) that is based on the standard of interoperability and portability used by a majority of State agencies; and

"(B) require that any electronic benefit transfer contract that is entered into 30 days or more after the regulations are promulgated, by or on behalf of a State agency, provide for the interoperability and portability required under paragraph (2) in accordance with the national standard.

"(5) EXEMPTIONS.—

"(A) CONTRACTS.—The requirements of paragraph (2) shall not apply to the transfer