

James Lufuzi had sporadic bouts of illness, but when the family ran short of food late last year, his condition deteriorated. He died at home last month, leaving his father, a widower himself, to care for his two daughters, 9 and 7.

When asked if his son may have had HIV, he nods. "I believe that may have been the case. The hunger fed his illness until he could not hold on any longer."

Amid such privation, food is precious to those who have it and tempting to those who do not. When Goodson Mussa was accused of stealing corn from a field near the capital, Lilongwe, three men used a razor blade to cut off one of his ears.

"They beat me and spit on me, and one of them threatened to douse me with [Kerosene] and set me alight," said Mussa, 33. Asked several times if he was indeed trying to steal corn, Mussa refused to answer directly.

"Hunger is terrible," he said, holding his hand up to his bandaged head. "What man wouldn't steal if he's watching his own children starve to death before his very eyes?"

CORPORATIONS SEEK TAX DODGE IN BERMUDA

The SPEAKER pro tempore (Mr. ISSA). Under a previous order of the House, the gentleman from Oregon (Mr. DEFazio) is recognized for 5 minutes.

Mr. DEFazio. Mr. Speaker, on April 15, not that long ago, more than 88 million Americans dutifully filed their individual income taxes. But now we find out that a growing number of United States corporations have developed a new tax dodge, a new sort of Bermuda Triangle to disappear their tax obligations to the Federal Government and the United States of America.

That is not too surprising, given the attitude of the Secretary of the Treasury, Mr. O'Neill. He said that absolutely he backs the abolition of taxes on corporations. "The clear economic truth is that businesses and corporations don't pay taxes, they just collect them for the government," he told the Financial Times. He is part right. Many corporations do not pay taxes anymore. The burden is growing on individual Americans. Thirty years ago when our corporations were the envy of the world and we were the manufacturing capital of the world, 25 percent of the taxes of the United States were paid by corporations. Today, it is less than 10. Of course, most of our manufacturing has fled overseas and now those companies that have remained here are hoping to move their tax obligations offshore to places where they do not pay taxes. They say, as Stanley Works did in defending this practice when they held a recent vote of stockholders, it is all about the stockholders.

From today's New York Times, it is not about the stockholders. It is about the CEOs. It is all about the CEOs. According to the New York Times, the CEO of Stanley Works will get 58 percent of the \$30 million they expect to not pay in Federal income taxes by moving the corporation to Barbados and Bermuda. So we screw the American taxpayers. We screw the stock-

holders, too, because they are going to have to pay capital gains taxes. But the gentleman who runs the company will get a huge bonus. He might still have to pay some U.S. income taxes, but he probably has some smart accountants who will figure out how he can get around that, too.

What is the reaction of the United States Congress to this scandal? We had hoped here in the United States House of Representatives, the people's House, that there would be some outrage about this shift of taxes from large, profitable corporations and their CEOs on to individual Americans and small businesses. But instead, on the Republican side, the reaction is protect these tax dodges at any cost.

We were going to take up a bill on the marriage penalty, which is a real problem for American families. But on the Democratic side we were going to offer an amendment, an amendment to close this tax loophole, to break up the new Bermuda Triangle, to not allow companies that are based in, manufacture in, employ people in the United States of America to pretend that they are in Barbados and pretend that they are in Bermuda in order to avoid their tax obligations.

It should not be very controversial, should it? This is a time, as we heard so eloquently from the gentleman before me, of great threat to our Nation where people should not be asking questions about who knew what, when, where and how. But this is something we know, and we should be asking, why should we allow these corporations to avoid their tax obligations? Why should they not join in the great patriotic need to raise funds to fight the threat of terrorism? Why should they enjoy all the privileges of American citizenship and pay not a whit for it? But the reaction of the House leadership was to cancel the consideration of the marriage penalty on another day as a regular bill and bring it up instead as a suspension tomorrow with no amendments allowed. God forbid that the United States House of Representatives should break up this little scam. I mean, after all, this CEO of Stanley Works will probably send a good part of his little take there, his \$17.8 million to one of their fund-raisers in gratitude, maybe 10 percent, maybe 20. Who knows what the share will be.

This is absolutely outrageous. The American people are paying their taxes. The country is under attack. We are in a huge deficit. We are spending the Social Security trust fund. The lockbox for Social Security is long gone. We are piling up a huge and growing deficit. We have enough controversy over the proposals by the Republicans to make permanent the tax cuts for the largest estates and the wealthiest Americans, but to allow this outrage, companies based in the United States of America, in all reality, to rent a post office box in Bermuda and a filing cabinet in Barbados and pretend they are not U.S. corporations anymore and not pay any taxes.

I am ashamed of the Republican leadership.

CONTROVERSIAL ASPECTS OF SUPPLEMENTAL APPROPRIATIONS BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, when the supplemental appropriation bill comes up this week, largely for defense purposes, the Republican majority will try to play games and use sleight of hand to slip an increase in the debt ceiling past the American people. These issues should not be linked. They should be voted separately.

Yes, America has returned to the days of a growing budget deficit. The President's economic policy will reduce our surplus by nearly \$1.7 trillion. That is 42 percent. The government, therefore, is about to bump its head against the debt ceiling.

This situation makes it all the more irresponsible, Mr. Speaker, for this Congress in the same bill to throw more than \$100 million in taxpayer money to the wind to protect a private oil pipeline in the nation of Colombia. Yes, that is right. American taxpayers are being asked to pony up over \$100 million to protect a private oil pipeline in a foreign country. This oil pipeline is owned by two multinational corporations and also by the Government of Colombia.

I will be offering an amendment to strike the first \$6 million down payment in funding in this bill to protect what is called the Cano Limon oil pipeline. Most Americans do not even know about this pipeline; but they should, because the Bush administration wants to use their tax dollars to protect it. This pipeline that pipes Colombian oil is owned by U.S.-based Occidental Petroleum, along with Repsol, a Spanish-Argentine combine, and Ecopetrol, which is an arm of the Government of Colombia.

Can you believe it? This is where our lack of a national energy policy has led us, into the jungles of a Colombian war and into the middle of a civil war that has raged for two generations. The Bush administration wants Congress to spend American tax dollars to defend a pipeline that is owned by the Government of Colombia, a Spanish-Argentine multinational corporation and Occidental Petroleum, an American-based multinational giant, to pump Colombian oil.

When you think about it, this first \$6 million is but a down payment on \$104 million which is supposed to come later. This particular pipeline has been repeatedly attacked in Colombia's 38-year-long civil war.

Occidental Petroleum is not a poor company. In fact, it earned profits of more than \$2 billion over the last 2 years. So why in the world should the American people have to foot this bill?

This gift to Big Oil is a waste of our taxpayers' money and will only lead to other Big Oil giants lining up for similar corporate handouts. We are going backwards. We have gone from shoveling money into the pockets of American multinationals like Enron, that is outrageous enough, to shoveling money into the pockets of foreign multinational corporations and foreign governments.

Where does it stop? Where do we draw the line? When do we adopt a real energy policy in this country that promotes biodiesel, ethanol and other renewable fuels and cures our addiction to foreign oil? How many wars do we have to fight? How many people have to die? How many taxpayer dollars have to be wasted to keep the foreign oil flowing?

The Colombian army brigade that will be trained with these funds will protect a pipeline that, when operational, will pump about 35 million barrels per year. This adds up to \$3 per barrel in costs to U.S. taxpayers to protect a pipeline for which Occidental currently pays security costs of about 50 cents per barrel. Very interesting. Moreover, as military Occidental Oil spokesman Larry Meriage admitted before Congress in February 2000, "This pipeline is 483 miles long, and so there aren't enough troops in all of Colombia to protect that pipeline along its corridor."

Americans should not be in the business of paying for the protection of privately owned foreign oil pipelines abroad. We must act now to defeat this dangerous and wasteful pipeline protection proposal. If this \$6 million down payment is provided now, it will be extremely difficult to stop the \$98 million that is still due when the 2003 foreign operations bill is debated later this year.

Mr. Speaker, it is time to just say no. Say no to the Cano Limon pipeline. Say no to foreign oil. And say no to the Bush administration policy to keep our Nation addicted to foreign oil.

REGARDING EVENTS OF SEPTEMBER 11

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, you have to have some patience to be sitting over here and listening to the last 20 minutes of Democratic rhetoric. Let us start with a little rebuttal because under the rules of the House, as you understand, they do not have to yield time and, of course, they would not yield time so their remarks all tell one side of the story.

Let us start with the gentleman from Oregon (Mr. DEFazio). In the West we would call the gentleman from Oregon on this subject kind of a Johnny come lately. Where has he been? I noticed he

just ran onto the House floor, still in his Levi's, puts a suit coat on and starts talking about what the Republicans have not done with a company called Stanley Works which makes Stanley tools up there in Connecticut and is trying to avoid U.S. tax by registering with a post office box in Bermuda. He says nobody has heard anything about this. He acts as if he is breaking new ice.

The gentleman from Oregon should have signed on to my bill. I have got the first bill on that to close that loophole. It is a terrible loophole. I had the chairman of that corporation in my office, and I gave that chairman a list of the American soldiers that lost their lives in Afghanistan trying to defend this country and the interests of this Nation. I said that any corporation that does business in America has more than an economic interest in this country. They have a moral responsibility to their community.

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They have an inherent obligation to their country that provides them with the freedoms and the fruits of freedoms that this Nation offers to business people.

This country provides the defense for Stanley Tool Company. And, by the way, Stanley Tool Company, which is registering in Bermuda, has zero sales in Bermuda. They freely admit all they are going to do is get a post office box and save \$30 million.

What bothers me about this, I think we can all agree on the issue, Stanley Tool Works, and many of you today, by the way, if you buy Stanley tools, you ought to quit buying them, because Stanley Tools is no longer that American company. They will keep all their manufacturing here, for a while, anyway, but they are going to put that post office box so they do not have to pay taxes, like any of the rest of you in this room. So keep that in mind. Next time you go down and want to buy a tool, you need a tool, do not buy Stanley tools.

What bothers me about the comments of the gentleman from Oregon (Mr. DEFazio), he comes in here strictly on a partisan issue and starts bashing the Republicans. I would say to the gentleman from Oregon (Mr. DEFazio), we have had this bill in place, it is my bill, I know a lot about it, we have had this bill in place for a couple of months. I did not see the gentleman at any of the meetings. I have not seen the gentleman at the Committee on Ways and Means. We have had several meetings in regards to this tax issue.

For the gentleman to come up to the floor, just like a greenhorn, that is what we would call you in the West, somebody that pops on the scene, you know, is kind of fresh to the thing and thinks they know everything, before the gentleman starts up here giving these blasphemous words and language and partisanship against the Republican leadership, the gentleman ought

to look up his bill directory, and I think the gentleman would be surprised. Not only do I have a bill there, the gentlewoman from Connecticut (Mrs. JOHNSON) has a bill, and the gentleman might be surprised there are a couple of people on his side of the aisle that have bills.

To the best of my knowledge, the gentleman from Oregon (Mr. DEFazio) has not been at any of these meetings in regards to our effort to stop corporations like Stanley Tool Company from incorporating in Bermuda for the simple reason of avoiding taxes in this country.

So if the gentleman from Oregon (Mr. DEFazio) would spend more time working with us on our side, we are the majority. You were the majority. You could have shut this loophole when you were the majority; you did not. I hope we as the majority, in combination with people like the gentleman from Oregon (Mr. DEFazio) who want to work with us, will shut this loophole.

The gentleman from Oregon (Mr. DEFazio) was correct, it is not fair to the American people what this corporation is doing. I hope that the chairman of that corporation who the gentleman from Oregon (Mr. DEFazio) says will make many, many millions of dollars, and I happen to believe he probably is correct, I hope the chairman of that corporation has that list that I gave him of the soldiers who have given their lives so far. Now, this is up to a week ago. I know we lost a soldier yesterday. But up to a week ago, those soldiers who had given their lives so you would be free to do business in this country. I hope that chairman is having second thoughts ever since the moment he left my office. My guess would be that he has not.

But the gentleman from Oregon (Mr. DEFazio), in my opinion, next time the gentleman wants to start blasting, it is obvious it is a political year, next time the gentleman wants to start blasting us, he ought to figure out if we have not already done the work on it.

I think it gives the gentleman a little more credibility to come in here, not as Johnny-come-lately, but come in here and really come up with some new information and come up with something positive that will help us move the ball.

Now, how interesting, I see in regards to the second speaker that attacks on a very partisan basis and says it is Bush's policy that we have to rely in the future on foreign oil, how little knowledge that individual, in my opinion, has on ethanol, for example.

Take a look at I think today's Wall Street Journal. I would ask my colleague to take a look at that column, on the editorial, guest column on ethanol. Do you know it takes more fossil fuel to generate the Btus of ethanol, to provide a gallon of ethanol, than a gallon of ethanol can give off?

This article points out there is a reason that the people who produce ethanol use fossil fuels for the generation