

my concerns regarding U.S. financial assistance to Pakistan.

Mr. Speaker, I understand that after September 11, the U.S. needed to coordinate with President Musharraf because of Pakistan's proximity to Afghanistan. Although the U.S. worked with Musharraf in the war on terrorism, I was skeptical, and I still remain skeptical, that Musharraf could fight both global terrorism and local terrorism by Islamic fundamentalists that still takes place in Kashmir and India.

It is now clear that Musharraf's promises to crack down on terrorists at the line of control in Kashmir and to crack down on terrorist camps and schools in Pakistan were just promises that went unfulfilled. When a leader says he will crack down on terrorism, but in the same breath make statements like, "Kashmir runs in our blood," or will refer to terrorists as freedom fighters, that should be evidence enough that he is not truthful with regard to terrorism.

Regardless of his empty promises on fighting terrorism in Kashmir, and despite his lies about holding democratic elections, the U.S. in fiscal year 2002 allocated hundreds of millions of dollars to Pakistan in both economic and military aid. The U.S. provided \$600 million in economic assistance in fiscal year 2002, \$73 million for border security, \$75 million in FMF in the supplemental, and \$50 million in military assistance.

In addition, the recently passed supplemental contained \$40 million for Pakistan, and an additional \$250 million is being sought by the administration for economic development and assistance.

I agree that Pakistan is in dire need of economic and humanitarian assistance, but I strongly objected to the military assistance provided to Pakistan by the U.S., especially considering the fact that Pakistan was not and still is not a democracy.

Mr. Speaker, I think it is important for us to evaluate the situation in Pakistan before setting aside further money in fiscal year 2003 for economic aid to Pakistan, and certainly for military assistance to Pakistan. The atmosphere post-September 11 was different, and it was appropriate for the U.S. to provide aid to Pakistan since Musharraf was helpful to the U.S. in fighting the Taliban.

At this point in time, however, the violence in Kashmir has escalated, and the overall situation of terrorism in Kashmir and throughout India charges Musharraf with the responsibility once and for all to stop infiltration at the border in Kashmir and to eliminate terrorist training camps and schools.

With violence against civilians in Kashmir taking place on a nearly daily basis, and with nearly 1 million troops lined up along the Pakistan and Indian border, Musharraf has no choice but to keep his promise of stopping infiltration of Islamic fundamentalists who

now claim "Kashmir Jihad" from entering Kashmir. I do not think it is appropriate for the U.S. to provide any further aid to Pakistan if this promise is not kept.

In addition, Musharraf needs to go further than stopping infiltration. He must eradicate the training camps and schools operating in Pakistan. These schools breed terrorists, and in order to permanently end terrorism in Kashmir, Musharraf must go to the heart of the problem and put an end to the breeding of terrorism at these training camps.

In addition, there must be some system for ensuring that Pakistan is accountable for the money that is allocated by the U.S. We should demand evidence that although economic aid may be going to schools and other social projects, that the investment is not then freeing up money that is re-allocated towards weapons for Islamic militants and resources at terrorist training camps.

Mr. Speaker, I am so concerned about the U.S. providing further funds to Pakistan without Musharraf holding his word that I am planning on sending a word to the foreign ops appropriators to apprise them of the current situation and to encourage them to provide economic aid to Pakistan only on the condition that Musharraf does, in fact, take concrete steps to alleviate terrorism in Kashmir and to eliminate terrorist training camps.

In addition, I would like to note that I plan to encourage the appropriators to steer clear of providing any military aid to Pakistan, regardless of the progress Musharraf makes on terrorism prevention.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4560. An act to eliminate the deadline for spectrum auctions of spectrum previously allocated to television broadcasting.

#### TRADE, TRADE POLICY IN THE UNITED STATES, AND AMERICA'S RECORD TRADE DEFICITS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 60 minutes.

Mr. DEFAZIO. Mr. Speaker, I scheduled this time to come to the floor tonight and talk about the issue of trade, trade policy in the United States, and our record trade deficits, the impact on the economy, and in the future.

Before I engage in that, I could not resist. I had to sit through a good part of the previous hour, and I would like to comment upon a number of the points made by the gentlemen before me on the issue of prescription drug coverage.

First off, they said it has a fiscally huge cost, the Democratic alternative. It would cost \$800 billion. Guess what: That is the cost of the estate tax which they tried to permanently repeal last week over 10 years, \$800 billion. So we could have a trade-off. We could have a very meaningful, substantial prescription drug benefit for every American eligible for Medicare, or we could give back \$800 billion to the wealthiest of the wealthy in this country.

Even if we adopted the alternative, which I supported, which would have given a \$6 million exemption, I think \$6 million is quite enough tax free, we could have saved half that money, \$400 billion. So if we matched it to the \$350 billion, we could again have had a more generous plan.

Mr. Speaker, also, there is a glaring deficiency. In fact, I am a bit critical of the Democrat proposal, also, because neither bill takes on the immensely powerful and wealthy pharmaceutical industry head on. Americans are paying 40 to 80 percent more than citizens of other highly industrialized, developed nations. Our neighbors in Canada pay about half what we do for drugs manufactured in the U.S. by U.S. firms; Mexico even less. The European countries all pay less.

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The Republican bill would do nothing to control these outrageous costs, which means we are not going to get much of a benefit. If we do not crank down the obvious costs of pharmaceuticals, we are not going to get much of a benefit. We could spend the entire Federal budget within a few years, and we would not get much of a benefit. We have got to do something about the runaway pharmaceutical costs, but I do not think there is a lot of will on that side. Tomorrow night's \$25 million Washington, D.C. fundraiser for the Republicans in the House and the Senate, the lead fundraiser is the head of GlaxoSmithKline, a large pharmaceutical company, one of the largest in the world, J.P. Garnier would not want to upset him too much when he is out raising money.

Now they say, well, the rising costs are because of advances in new drugs. Actually, if one lifts up the covers and looks underneath where they are spending their money, the pharmaceutical companies are spending more money on their CEO salaries, administration, and advertising than they are on research. In fact, all their blockbuster drugs for profits are makeovers of drugs they invented 20 years ago. Clarinex, that is Claritin with a tiny molecular change so they can continue it under patent, so they can continue to charge 10 times as much per dose as the one that finally, after fighting in court, after trying to buy up other pharmaceutical companies that are going to provide a generic, after trying to get legislation through Congress, knock through a number of bills to continue their monopoly on Claritin,

they finally developed another dodge which is get the doctors to prescribe this new drug which is not any different but has a different name and they can charge ten times as much for it. So if we do not deal with the costs, we cannot have a meaningful prescription drug benefit. But I see no will on that side of the aisle to deal with that issue.

Back to trade, let us talk a bit about trade. Later this week perhaps or next week, the House will take up at least perhaps an extraordinary proposal by the gentleman from California (Mr. THOMAS) of the Committee on Ways and Means to adopt an arcane procedure called a self-executing rule on a motion to go to conference. Why is that? Because they are trying to help push through this fast track bill for President Bush. I opposed fast track authority for President Bush the First. I opposed fast track authority for President Clinton, and I oppose fast track authority for President Bush today. This is a bad idea. The United States Congress gives up all of its authority to amend, modify, or meaningfully review these trade agreements and instead says they will be adopted with an up or down vote only, no amendments allowed. Why would we do that? We would do that because these are really bad deals for the American people. That is why we would do that.

The WTO, which I opposed, the GATT, that was a really bad deal for the American people, done through a fast track process. The NAFTA, total disaster. We are running over a \$40 billion trade deficit with Mexico. That was done on one of these fast track deals. But what they said was, oh, Congressman, you cannot mean you want to vote to amend that. Well, in fact, first of all, you cannot vote to amend it, and, why, if you voted to amend it, the other countries who are agreeing to this might get upset.

Come on. They want access to our markets. Reasonable amendments to deal with labor and the environment, consumers, those things would not be a problem in these trade agreements, but they want to keep those things out because the real people who dictate the trade agreements are multinational corporations who have had a direct pipeline to the last four Presidents of the United States, Reagan, Bush I, Clinton, and Bush II. They are virtually identical in their position on trade.

Is our trade policy working so well that we should rubber-stamp it yet one more time? That is what this House of Representatives will be asked to do, rubber-stamp one more round of fast track for the free trade of the Americas. Let us bring in all of the nations into the western hemisphere, into this wonderful construct that we have under NAFTA. Would that not be peachy? Maybe we can get cheaper labor in Bolivia than we can in Mexico because some people are demanding as much as a dollar an hour down there in

Mexico now, Bolivia and Argentina. They might be more desperate. Maybe they could take more American jobs at a lower price than the Mexicans.

I am about to be interrupted again, but I will certainly be happy to yield or suspend for the purposes of a unanimous consent request on the part of the gentleman from Louisiana (Mr. TAUZIN).

#### AUCTION REFORM ACT OF 2002

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4560) to eliminate the deadlines for spectrum auctions of spectrum previously allocated to television broadcasting, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "Auction Reform Act of 2002".*

#### SEC. 2. FINDINGS.

*Congress finds the following:*

(1) Circumstances in the telecommunications market have changed dramatically since the auctioning of spectrum in the 700 megahertz band was originally mandated by Congress in 1997, raising serious questions as to whether the original deadlines, or the subsequent revision of the deadlines, are consistent with sound telecommunications policy and spectrum management principles.

(2) No comprehensive plan yet exists for allocating additional spectrum for third-generation wireless and other advanced communications services. The Federal Communications Commission should have the flexibility to auction frequencies in the 700 megahertz band for such purposes.

(3) The study being conducted by the National Telecommunications and Information Administration in consultation with the Department of Defense to determine whether the Department of Defense can share or relinquish additional spectrum for third generation wireless and other advanced communications services will not be completed until after the June 19th auction date for the upper 700 megahertz band, and long after the applications must be filed to participate in the auction, thereby creating further uncertainty as to whether the frequencies in the 700 megahertz band will be put to their highest and best use for the benefit of consumers.

(4) The Federal Communications Commission is also in the process of determining how to resolve the interference problems that exist in the 800 megahertz band, especially for public safety. One option being considered for the 800 megahertz band would involve the 700 megahertz band. The Commission should not hold the 700 megahertz auction before the 800 megahertz interference issues are resolved or a tenable plan has been conceived.

(5) The 700 megahertz band is currently occupied by television broadcasters, and will be so until the transfer to digital television is completed. This situation creates a tremendous amount of uncertainty concerning when the spectrum will be available and reduces the value placed on the spectrum by potential bidders. The encumbrance of the 700 megahertz band reduces both the amount of money that the auction would be likely to produce and the probability that the spectrum would be purchased by the entities that valued the spectrum the most and would put the spectrum to its most productive use.

(6) The Commission's rules governing voluntary mechanisms for vacating the 700 megahertz band by broadcast stations—

(A) produced no certainty that the band would be available for advanced mobile communications services, public safety operations, or other wireless services any earlier than the existing statutory framework provides; and

(B) should advance the transition of digital television and must not result in the unjust enrichment of any incumbent licensee.

#### SEC. 3. ELIMINATION OF STATUTORY DEADLINES FOR SPECTRUM AUCTIONS.

(a) FCC TO DETERMINE TIMING OF AUCTIONS.—Section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) is amended by adding at the end the following new paragraph:

"(15) COMMISSION TO DETERMINE TIMING OF AUCTIONS.—

"(A) COMMISSION AUTHORITY.—Subject to the provisions of this subsection (including paragraph (11)), but notwithstanding any other provision of law, the Commission shall determine the timing of and deadlines for the conduct of competitive bidding under this subsection, including the timing of and deadlines for qualifying for bidding; conducting auctions; collecting, depositing, and reporting revenues; and completing licensing processes and assigning licenses.

"(B) TERMINATION OF PORTIONS OF AUCTIONS 31 AND 44.—Except as provided in subparagraph (C), the Commission shall not commence or conduct auctions 31 and 44 on June 19, 2002, as specified in the public notices of March 19, 2002, and March 20, 2002 (DA 02-659 and DA 02-563).

"(C) EXCEPTION.—

"(i) BLOCKS EXCEPTED.—Subparagraph (B) shall not apply to the auction of—

"(I) the C-block of licenses on the bands of frequencies located at 710–716 megahertz, and 740–746 megahertz; or

"(II) the D-block of licenses on the bands of frequencies located at 716–722 megahertz.

"(ii) ELIGIBLE BIDDERS.—The entities that shall be eligible to bid in the auction of the C-block and D-block licenses described in clause (i) shall be those entities that were qualified entities, and that submitted applications to participate in auction 44, by May 8, 2002, as part of the original auction 44 short form filing deadline.

"(iii) AUCTION DEADLINES FOR EXCEPTED BLOCKS.—Notwithstanding subparagraph (B), the auction of the C-block and D-block licenses described in clause (i) shall be commenced no earlier than August 19, 2002, and no later than September 19, 2002, and the proceeds of such auction shall be deposited in accordance with paragraph (8) not later than December 31, 2002.

"(iv) REPORT.—Within one year after the date of enactment of this paragraph, the Commission shall submit a report to Congress—

"(I) specifying when the Commission intends to reschedule auctions 31 and 44 (other than the blocks excepted by clause (i)); and

"(II) describing the progress made by the Commission in the digital television transition and in the assignment and allocation of additional spectrum for advanced mobile communications services that warrants the scheduling of such auctions.

"(D) RETURN OF PAYMENTS.—Within one month after the date of enactment of this paragraph, the Commission shall return to the bidders for licenses in the A-block, B-block, and E-block of auction 44 the full amount of all upfront payments made by such bidders for such licenses."

(b) CONFORMING AMENDMENTS.—

(1) COMMUNICATIONS ACT OF 1934.—Section 309(j)(14)(C)(ii) of the Communications Act of 1934 (47 U.S.C. 309(j)(14)(C)(ii)) is amended by striking the second sentence.

(2) BALANCED BUDGET ACT OF 1997.—Section 3007 of the Balanced Budget Act of 1997 (111 Stat. 269) is repealed.

(3) CONSOLIDATED APPROPRIATIONS ACT.—Paragraphs (2) and (3) of section 213(a) of H.R.

3425 of the 106th Congress, as enacted into law by section 1000(a)(5) of an Act making consolidated appropriations for the fiscal year ending September 30, 2000, and for other purposes (Public Law 106-113; 113 Stat. 1501A-295), are repealed.

#### SEC. 4. COMPLIANCE WITH AUCTION AUTHORITY.

The Federal Communications Commission shall conduct rescheduled auctions 31 and 44 prior to the expiration of the auction authority under section 309(j)(11) of the Communications Act of 1934 (47 U.S.C. 309(j)(11)).

#### SEC. 5. PRESERVATION OF BROADCASTER OBLIGATIONS.

Nothing in this Act shall be construed to relieve television broadcast station licensees of the obligation to complete the digital television service conversion as required by section 309(j)(14) of the Communications Act of 1934 (47 U.S.C. 309(j)(14)).

#### SEC. 6. INTERFERENCE PROTECTION.

(a) **INTERFERENCE WAIVERS.**—In granting a request by a television broadcast station licensee assigned to any of channels 52-69 to utilize any channel of channels 2-51 that is assigned for digital broadcasting in order to continue analog broadcasting during the transition to digital broadcasting, the Federal Communications Commission may not, either at the time of the grant or thereafter, waive or otherwise reduce—

(1) the spacing requirements provided for analog broadcasting licensees within channels 2-51 as required by section 73.610 of the Commission's rules (and the table contained therein) (47 CFR 73.610), or

(2) the interference standards provided for digital broadcasting licensees within channels 2-51 as required by sections 73.622 and 73.623 of such rules (47 CFR 73.622, 73.623), if such waiver or reduction will result in any degradation in or loss of service, or an increased level of interference, to any television household except as the Commission's rules would otherwise expressly permit, exclusive of any waivers previously granted.

(b) **EXCEPTION FOR PUBLIC SAFETY CHANNEL CLEARING.**—The restrictions in subsection (a) shall not apply to a station licensee that is seeking authority (either by waiver or otherwise) to vacate the frequencies that constitute television channel 63, 64, 68, or 69 in order to make such frequencies available for public safety purposes pursuant to the provisions of section 337 of the Communications Act of 1934 (47 U.S.C. 337).

Mr. TAUZIN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. ISSA). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. DINGELL. Mr. Speaker, back in 1997, and again in 2000, over the Committee on Energy and Commerce's objections, the budget committees of the Congress commandeered the management of the Nation's airwaves. They set auction deadlines that were asinine, constituting a gross mismanagement of spectrum. Today we take back the reins and restore rationality to the process.

Without question, moving forward with these auctions now would impose a heavy price on the American public. The Nation's airwaves are a scarce natural resource, and we are entrusted to manage these assets on the public's behalf. The bill before us is the first step to reclaiming that duty.

In addition, I would note that the anti-interference provision contained in this bill is of particular importance to the American viewing public. It preserves the integrity of broadcast channels, making sure that consumers will be

able to continue viewing both traditional and digital broadcasts without risk of harmful interference to their television sets.

I congratulate Chairman TAUZIN and others for their perseverance in getting this bill through both Houses, and look forward to the Federal Communications Commission establishing a sound spectrum management policy now that we have freed the agency to do so.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Louisiana?

There was no objection.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. TAUZIN. Mr. Speaker, I want to thank the gentleman from Oregon (Mr. DEFAZIO) for his courtesies this evening and hope he will excuse my interrupting him.

Mr. DEFAZIO. Mr. Speaker, whenever I can help the powerful chairman of the Committee on Energy and Commerce. I may have something small to ask in return.

If I could continue here, this is a very serious subject. So the question before the House soon will be will we rubber-stamp existing trade policy? Is it so good, is it working so well for the American people that we should say, hey, let us just keep doing more of the same, let us give President Bush total authority to negotiate these agreements in secret, then bring it back here for an up or down vote, no amendments allowed? Let us look at the result of our existing trade policy.

Our trade deficit is the largest in the history of the world. It has gone from \$66 billion in 1991, 1.7 percent of our gross domestic product, to \$417 billion last year, 4.1 percent of our gross domestic product. That is pretty extraordinary. People say, well, wait a minute, our exports are expanding. They are right. Our exports over the last decade have gone up 17 percent; but guess what, the imports went up 44 percent because of this misbegotten trade policy.

Current estimates say that our trade deficit could reach \$460 billion by the end of this year, \$536 billion by 2003, and their prediction, it could reach 7 percent of gross domestic product, \$800 billion by the year 2005. That means the loss of tens of thousands, hundreds of thousands more jobs in this country; and in fact, it means a trade deficit that is not sustainable.

Essentially, if we move toward those numbers, the United States of America becomes the next Argentina; and the World Bank and the IMF will be in here dictating to us about our budget priorities and how we are going to clean up our house and how we are going to

meet our obligation of our \$2 trillion overseas debt. Yes, we will owe \$2 trillion overseas in the very near future because of these persistent trade deficits.

It is not sustainable. In fact, when Indonesia imploded, their trade deficit was only 4.5 percent of their gross domestic product. Similarly, in South Korea, and economists everywhere said, well, that is understandable. My God, no one can have trade deficits that large a percentage. We are talking the United States of America may go to 7 percent in the near future if we maintain the current trade policies.

The question becomes, who would want to maintain this failing trade policy? Well, not too many of the American workers who have lost their jobs, seen their wages depress. They are probably not real enthusiastic about it. In fact, I come from a State where when I first raised questions about trade, they said, oh, no, you are from Oregon, you are going to be a free trader. You are right there on the Pacific Rim; your people are going to benefit from this free trade policy of the United States, as I was told by President Bush first, President Clinton and others in opposing their successful attempts, unfortunately, to jam through NAFTA and GATT and the WTO. My State has lost 41,000 jobs; and other States have lost a lot more than that, millions of jobs across the country.

Three million jobs in the United States according to the Economic Policy Institute were lost between 1994 and the year 2000 because of our trade policies.

What else did trade deficits do? Well, they shift the composition of the workforce. They say, do not worry, everybody is going to wash dishes; we are going to become a service economy. We do not need to manufacture things. I do not believe that. I do not believe we cannot manufacture things and continue to be a great Nation. In fact, during the Gulf War, officials down at the Pentagon were in a panic because they needed some high-tech stuff. They could only get it from Japan, and Japan was not delivering on the schedule that our national security demanded. Imagine that. Do my colleagues think China, who is now producing some of those same critical components, is going to be real helpful in the future? They have been so friendly and helpful so far. I do not think so, particularly if we are in a conflict with them, which I think is very possible within the next 25 years.

Manufacturing has lost 1.5 million jobs in the last 18 months. So we are having a huge change in the composition of our workforce from high-wage, high-benefit manufacturing jobs, to low-wage jobs or lower-wage jobs on much lower-benefit jobs in the service sector or other components of manufacturing.

What else is impacted? Stagnant wages. Average U.S. wages adjusted for inflation are about the same as they

were when Jimmy Carter was President of the United States, and one of the biggest factors in dragging that down is U.S. workers are being asked to compete with people in Mexico who are preferably willing to work for a dollar a day; and if President Bush is successful, they will be asked to compete with the people of Argentina who are totally desperate or the people of Bolivia or other nations.

The idea is to search around the world for the most exploitable, most desperate workforce. Sometimes skills are required so they will have to go to countries like Argentina. Other times they can go overseas to Indonesia, Pakistan, countries like that when they are not real high skilled and get cheaper wages.

So that is another result. I do have a few more points, and then I will yield to the gentlewoman from Ohio (Ms. KAPTUR), who is a tremendous leader on these issues.

It is a drag on economic growth, this \$400 billion-a-year trade deficit. Our export output falls. Domestic demand that could be met by domestic output is instead satisfied by higher imports. As I said earlier, our exports are up by 17 percent, but our imports are up by 44 percent. We are losing the jobs that could create that.

We are increasingly reliant on foreign investors. We have to import nearly \$2 billion a day from foreign investors, and perhaps later I will get into a list of who those foreign investors are. I think it will shock some of the Members of this caucus in terms of national security and economic security, but 40 percent of our U.S. Treasury debt, 40 percent of the debt of the United States of America, the collective debt of all of us, is owned by foreigners. That is an extraordinary number. It erodes our defense manufacturing base. We are going to saddle our children with future debt and interest payments, and it hurts our long-term spending on research and development.

These are some of the grand successes of the current trade policy that this Congress is going to be asked to rubber-stamp by once again giving up all its authority to shape trade and trade policy and rubber-stamp a fast track bill to give the President the authority to secretly negotiate this agreement and bring it back here for a hurried up or down vote.

I yield to the gentlewoman from Ohio (Ms. KAPTUR), who has been a tremendous leader in the House in opposing these failing trade policies.

Ms. KAPTUR. Mr. Speaker, I wanted to express deepest appreciation for the yielding of my esteemed colleague, the gentleman from Oregon (Mr. DEFAZIO); and though I am not for human cloning, I just wish that somehow we could clone more of him to serve in this Chamber, and the people of Oregon are extraordinarily fortunate to have an honest and very, very able Member serving their interests and indeed America's interests.

I was listening to the gentleman's comments on fast track, which I always call the wrong track, and felt compelled to come here to the floor to at least try to attempt to gain just a few moments to discuss these issues with the gentleman. My colleague mentioned how much America is in hock to other countries and foreign interests borrowing those dollars in order to fuel this economy. The flip side of the fact is that 40 percent, over 40 percent now of our public debt is owned by foreign interests, is the interest that we have to pay them, and this year that number will total close to \$400 billion. It is between \$300 and \$400 billion, which is almost as much as we will spend on the defense of the United States of America to pay on our borrowings and the interest that is owed on those.

So I think that the underside of this trade equation is the fact that piece by piece we are selling ourselves off, the public interest and the private interest.

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I think the American people really have a sense of this when they go to the store and they look on the bottom of a cup or they look on the label on a piece of clothing and they sort of ask themselves, well, is anything made in America anymore? Everything from hedge trimmers to automobiles to clothing. We import over half of the oil, which we should totally displace by domestically produced new fuels. We are not independent. This was a Nation formed with the great ideal of independence and self-sufficiency, and piece by piece, at the end of this past century and now into the new one, we are frittering away that national endowment.

Now, the bill that was supposed to have come before us today for the second time in 2 weeks has not made it to the floor. And the reason the fast track bill is not here today and was not here last week is because the motion lacks the votes necessary for passage. The problems with the fast track proposal are so numerous that the rule that they have adopted is self-executing. In other words, we cannot really change anything in the bill.

And what are some of the things that are bad about it, in addition to its fundamental architecture, which is only going to increase more imports into this country? Well, first of all, the displaced workers that will occur in this country. And we know it is going to happen. It happened with NAFTA, it happened with PNTR with China. Every time we sign one of these agreements, more companies close in our country. It does not take a mental giant to figure out what is going on with displaced production. The money that was supposed to be in the bill to help the U.S. workers thrown out of their work was lowered, and there were lower levels of trade adjustment assistance in this fast track measure.

In addition to that, there were several provisions embedded in this fast track bill to try to protect the seats of certain Members of this institution in a very tough election year.

In addition to that, there were provisions that had been put in by the other body that would have protected industries in this country from illegal dumping of foreign goods, such as steel, and those were taken out.

In addition, worker health provisions, those people who lose their job and then lose their health benefits, there were provisions in the Senate bill to protect the health benefits of our workers at least for a period of time. Those were taken out.

And so those are just some of the few irresponsible ploys that were included by my colleagues from the other side of the aisle. And I would have to say to the gentleman, and I appreciate his yielding to me, really one of the issues that we have to consider is how, when we add up everything that has happened at this time of Enduring Freedom, or any time when we should be considering the independence of this country, are we either strengthening or destroying our national defense?

We can look at job security, border security, industrial security, economic security, all of those together comprise what we take an oath to defend: the Constitution of the United States against all enemies, foreign and domestic, and to assure the defense of the United States of America. The end result is we become less able to make the bolts that go into the airplanes, we become less able to make the airframes. The gentleman knows a whole lot about that in the Northwestern part of our country with what has happened to some of the outsourced Boeing production. We become less able to make steel. We become less able to make electronics.

If we look at what is happening with the defense base of this country, in my district we have just had a major nuclear incident. Guess what? In order to try to repair the facilities that can be repaired, if we need a new head on the reactor, it has to be done by Japan and then sent to France for finishing, and then comes back to the United States, and then the company is absolved of liability under exemptions in the Price-Anderson Act. What is going on? What is going on in this country?

The last foundries have closed. I have machine tool companies in my district going bankrupt one after the other. That is happening all over this country. We have lost almost 1.5 million manufacturing jobs over the last 2 years. So I want to compliment the gentleman and say that I would like to stay for a while longer, as I listen to what he is saying to the people of our country and to the RECORD.

This is an extraordinarily important issue. Fast track should not be brought up on this floor until its flaws are repaired. And why should we be allowing 31 more countries special access to our

market when we are hemorrhaging, when, in fact, we are hemorrhaging jobs all over the world, and our trade deficit will be over \$360 billion more this year?

So I want to thank the gentleman very much for the opportunity to join him this evening and again compliment the very wise voters of the State of Oregon for sending the gentleman here. I have long admired his independence and his innovativeness as a Member of Congress.

Mr. DEFAZIO. Mr. Speaker, I thank the gentlewoman, and, of course, the people of Ohio also have shown extraordinary wisdom in returning her, for more years than I have been here, to the House of Representatives. The gentlewoman has been tremendous on this fight. Although we have been losing, the margin is getting closer and closer.

The gentlewoman will certainly remember that last fall, after an extraordinary effort by the Republican leadership in this House, the President and all his Cabinet and others, they only prevailed by a one-vote margin in getting through the fast track trade bill. A number of Members on that side had to change their vote, and voted reluctantly against interests of their district, particularly people from the South and textile States, and they got what are thus far some pretty hollow promises in return. Certainly the voters in those States are going to have to look to see what it is that their elected Representatives have wrought by proposing to do more and more and more of the same.

Under this legislation, Free Trade of the Americas Act would be one of the things negotiated, and we would go to a few of the very few countries in the Western Hemisphere, where the United States is currently running a trade deficit, where we do not have this kind of a perverted free trade agreement in place, and we would give them the opportunity to join most other nations on Earth who are running huge trade surpluses with the United States, notably Uruguay, Argentina, and Brazil. A very large economy in Brazil would fall under this new free trade authority, and Brazil is a major manufacturer of automobiles, certainly something close to the gentlewoman's heart, and other very sophisticated goods.

So we can fully expect that under this sort of an agreement that we would find those products coming from Brazil where labor is indeed much, much cheaper than it is in the United States.

Ms. KAPTUR. Mr. Speaker, if the gentleman will continue to yield, I would just want to point out that Argentina and Brazil, we are already in deficit with them. And if we look at what has happened with Canada and Mexico post-NAFTA, we used to have surpluses with those countries. Then, when NAFTA kicked in, we have moved into gigantic deficits with both countries, where they are sending us more goods than we are sending them.

We already have growing deficits with Argentina and Brazil and Venezuela. If this is passed, it will only grow worse because that has been what the pattern is. If we look at a country like Argentina, I found it very ironic that our Governor went down to Argentina in order to try to move Ohio product down there. But if we look at what is happening, Ohio's beef producers are being wiped off the map. They cannot get access to market. We are importing Argentinian beef into the United States. We have a deficit with Argentina. They are sending us more than we are sending them, and they were not about to buy any more of our beef. They want to sell us their beef.

And in terms of Brazil and Venezuela, if we look at the steel industry, if we look at agriculture in those countries, the numbers are not moving in our direction already. And many of the people in those countries do not earn enough to buy what we have to sell, so we end up shooting ourselves in the foot.

I thank the gentleman.

Mr. DEFAZIO. Exactly on that point, the passage of NAFTA was really the big lie strategy. We were told it was to produce hundreds of thousands of new jobs in the United States, and we were going to ship all these goods to Mexico. Of course, what they did not look at was the total buying power. If every peso earned by every person in Mexico was only spent on U.S.-produced goods, not on bare necessities, not on rent, locally, or anything else, it would have almost equaled the buying power of the State of New Jersey. This was theoretic. And, of course, obviously, that cannot happen. And, in fact, what has happened is our trade deficit with Mexico is up 1,861 percent. We have lost hundreds of thousands of jobs. We are running a \$40-billion-a-year trade deficit to Mexico. U.S. corporations are moving their capital to Mexico.

This was never intended to be an agreement for U.S. firms to produce in the United States and ship to Mexico. That was a joke. It was a lie, plain and simple. Unfortunately, a majority of our colleagues bought it. What it was always about was a cheap export platform in Mexico for U.S. manufacturers to move their capital and foreign manufacturers to move closer to the U.S. market so they would not have to ship things so far; big, heavy things.

Ms. KAPTUR. Again, if the gentleman would be kind enough to yield, I would just place on the record that the State of Ohio is one of the top five losers under NAFTA. We have already lost over 100,000 jobs to Mexico directly. That does not even count the supplier jobs and the service jobs that are associated with those corporate relocations.

The impact is staggering. Income growth in our region and our State has not gone up. In fact, it has been stagnant, and in many cases has been going down. People do not have the purchasing power. And the jobs that are

replacing them are part-time jobs with no health and retirement benefits.

If we look at, and I will just give one example and then yield the gentleman back his time, but one of the major corporations, and I hate to pick on a West European company, but Daimler-Benz-Chrysler, for example, they are one of the many automotive manufacturers that have moved production to Mexico, and they manufacture the PT Cruiser in Toluca, Mexico. Now, that is a very popular vehicle in our country. All the PT Cruisers are sent back here. There is not a single PT Cruiser manufactured in the United States of America.

Now, in our district we make the Jeep Liberty. We are the home of the jeep in Toledo, Ohio, and there are so many orders backed up for the PT Cruiser, our workers contacted the company and said, look, why do you not bring some of the excess production from Toluca up to Toledo? We will put on an extra line, we will meet the backlog, and we will be able to share in this rising market. No deal. No deal, because they can pay workers in Mexico so little, they can literally make \$10,000 more a car. They do not have to pay environmental costs. They do you not have to pay decent wages.

The people that work in Toluca cannot afford to buy the cars they make. Go to the places where they live and ask yourself, is this what we want for the world, people who have to use batteries to have any electricity in their home because they live at such a low wage?

So if we peel the veneer off, and I must say I am not just picking on Daimler-Chrysler, because it is the same with the Japanese auto manufacturers, the Koreans, it really does not matter with these multinational corporations which country they are from, but their behavior where they locate. And, unfortunately, those jobs, if all the PT Cruisers are sold in the United States, why should they not be made here? There is a real disjuncture between production and consumption, and, therefore, our plant in Toledo has not increased in employment.

Years ago we had 10,000 workers. We are down to 4,000. There are several hundred workers, several thousand workers actually, down in Mexico around that Toluca plant, but they are working at, I cannot say starvation wages, but close to it. They really do not have a living wage. That is what is going on with production. We are really hurting those people. We can say we are keeping them busy, but they are not really able to improve their lives. And our people, with the loss of over 1.2 million manufacturing jobs in just the last 2 years, they are being cashed out.

Mr. DEFAZIO. If the gentlewoman would yield back, in fact, she is making an excellent point. Henry Ford sort of figured out the formula for success in this country back early in the last century. He said, I want to produce a

product on an assembly line with a large number of workers, and I want my workers to be able to buy it.

And we did phenomenally well as a country. The managers, the owners of capital, and the workers all kind of came up together. Sure, the managers always did better, and the owners even did better yet, but there was some proportionality. The workers could afford to buy the products, and it created tremendous wealth for our Nation. It created an industrial base that won World War II and was the envy of the world. We rebuilt the world after World War II, led the race to space, and everything else, all those things. That was American technology based on sort of this formula of equality.

□ 1845

But now greed has taken over as we have seen in so many ways in corporate America, and if they can get the labor, desperate labor somewhere else a little cheaper, and avoid environmental restrictions, that is where they want to manufacture. And their vehicle is these free trade agreements. They cannot do it without the imprint and the approval of the President of the United States secretly negotiating deals that favor the export of their capital and their manufacturing jobs to these other countries.

The problem is ultimately it is going to collapse; but they will not care, like the managers of Enron who had already looted the company and are living in their six, seven or eight mansions, and they may have to sell one of their mansions.

Ms. KAPTUR. If the gentleman would yield, many of those mansions are not in the United States of America, nor are their major funds. They are offshore.

Mr. DEFAZIO. Mr. Speaker, this long-term trade deficit is not sustainable. With depressed wages in this country, ultimately we are buying all of this on credit, and the credit is overseas. We are getting close to \$2 trillion of debt. Forty percent of the Treasury debt of the United States is owned by foreigners. Our number one trade deficit is with China, not the country with the best interests of the United States in mind, in my opinion, anyway. I do not consider China to be a great ally or friend of the United States. Number two is Japan. Number three is Canada, obviously a close relationship with the United States. Then Mexico, Germany, Taiwan, Italy, South Korea, Malaysia, and Ireland. Those are the countries with whom we are accumulating this huge and growing debt. This is of tremendous concern.

As we undermine the buying capacity of the American people and the industrial might of the United States, and ultimately when they one day ask for their money, their \$2 trillion that they are owed, we are going to have the IMF and the World Bank dictating terms because this is not a sustainable system. We cannot borrow money year after year after year.

Ms. KAPTUR. Mr. Speaker, Alan Greenspan has said fundamentally to the Congress, this is unsustainable. We cannot keep displacing production and bringing it in from elsewhere without ultimately having an impact on your ability to produce and create not just money for a country, but wealth. We can print a lot of money, but what is standing behind it is the productive wealth of a society. That is what we are displacing.

Mr. DEFAZIO. Mr. Speaker, Alan Greenspan said in an article in *Business Week* that over the past 6 years, 40 percent of the increase in the U.S. capital stock was financed by foreign investment, a pattern that will require an ever-larger flow of interest payments going out to foreigners. He said, "Countries that have gone down this path invariably have run into trouble."

Ms. KAPTUR. Mr. Speaker, I was thinking about this today and reading the headlines about Afghanistan, and that country now trying to pull together a government and it is not very easy to do. But assuming they could pull the government together, through Afghanistan will come an oil pipeline from the Caspian Sea. Then we see the President's comments about Iraq and whether or not certain forces will be used to destabilize the government of Iraq, and we recall the Persian Gulf War and that oil field that lies between Iraq and Kuwait.

Then we saw the Bush administration a few weeks ago give mixed messages to this Congress and the world about Venezuela and which government the administration was supporting or not supporting in Venezuela. What do Iraq, Venezuela and Afghanistan all have in common? They have in common the oil imperative. So many times when you see the United States become dependent, as we are in this oil arena, very bad things can happen. Indeed, wars can happen when our country is not independent. I think it is important what the gentleman is presenting in terms of the financial condition of our country and who we owe.

The first phone call I made after 9-11 was to Alan Greenspan, and I wanted to know from an economical standpoint who can pull our bonds internationally. I said, I want you to assure me that we can hold it together because 40 percent of the debt of this country is now owned by foreign interests. He said, We can track that back to the London markets. And I said, What does that tell me? He said, I do not think you need to worry, but he could not actually tell me who holds our debt.

I think he might know, I am not sure, but he was not able to tell me. But when we owe \$400 billion a year to interests that we do not even have a list of, we know that it is traded in the London markets, if we could theorize, China is now the largest holder of our dollar reserves. The trade deficit is a reciprocal for that. Japan is number two. So our fate lies in their hands. Saudi Arabia and the OPEC countries,

number three. So behind the scenes, they have enormous leverage when the United States is frittering away its economic independence.

Mr. DEFAZIO. Mr. Speaker, we ran a trade deficit last year of \$40 billion with the OPEC countries, the same countries that are fixing oil prices to stick it to American consumers and the remaining industry that we have in this country with extortionately high prices for fuel; and the Bush administration, they are all for free trade. They love the WTO, the secret tribunals. They want to get hormone-laced beef in from Europe, and other things that are in favor of corporate America; but guess what, they will not file a complaint with the WTO against OPEC for price fixing which is prohibited by the World Trade Organization and by GATT. Why not?

Well, maybe there is something to do with the oil industry that I am not quite aware of, but we are running a \$40 billion trade deficit. These people are making no secret of the fact that they are restraining production to drive up the price, and that violates the WTO. It is an open and shut case. All the U.S. has to do is file it on behalf of its consumers. Consumers of the United States cannot file a case. Even those industries that are still left in this country cannot file a case. Only the Bush administration can file the case, and they are refusing to take on the OPEC countries and to file against them for price gouging of the American people.

Also on that list, kind of interestingly enough, we ran a \$5.754 billion trade deficit with Iraq. The President is talking about invading Iraq, and we are running a \$5.750 billion trade deficit with them. There is something weird about that.

Ms. KAPTUR. If the gentleman would yield, I was speaking to my local press in my district, and they asked what did the President mean about Iraq. I said would it surprise you, in spite of what the headlines are saying in Washington, today we are importing 8 percent of our petroleum from Iraq. They were stunned. How could this be happening at the same time the no-fly zone is maintained over Iraq?

The relationships that have made us more and more dependent on petroleum imports than we were 25 years ago is really a sad tale for our country, and I thank the gentleman for helping us bring this out into the light so those who are recording remarks and those who are listening, particularly the younger generation will understand, we have to unwind, we have to get ourselves out of these relationships because too often oil has been serving as a proxy for our foreign policy, and our trade deficit is a sign of our growing lack of independence.

Mr. DEFAZIO. Again, returning to that, we ran also a \$7.4 billion trade deficit with Saudi Arabia, and now we find out that some of the most wealthy Saudis are the biggest backers of al

Qaeda and other terrorist groups and have been funding this network of schools training Islamic fundamentalist radicals around the world, and we are helping to finance that. It is U.S. consumers who are being extorted at the gas pump by price fixing and production fixing by OPEC, who are sending almost \$13 billion a year to Saudi Arabia and Iraq.

This is extraordinary to me; and what is the Bush administration response to this: we should do more of the same. These trade policies are working so well, price gouging the American consumers, undermining our industrial base, lower wages and productivity in the United States, we should do more of exactly the same, despite the fact that we are headed toward a \$2 trillion debt overseas within the next 2 years.

Mr. Speaker, \$2 trillion of U.S. dollars are outstanding around the world, and the gentlewoman is right. What if the Chinese decide they are in a dispute over Taiwan or something else with the U.S. and they want to slow us down or hurt us, and they demand payment for, say, their \$700 billion worth. Suddenly the U.S. is in a big credit crunch. We cannot afford to make those sorts of payments.

Of course, there is one other point that is interesting. I befuddled an economist the other evening. It was Paul Krugman from the New York Times. He is an interesting man, but blind on trade issues. He is a big believer in free trade. We asked him if a \$400 billion-a-year trade deficit is sustainable.

He said, oh, no, that is close to what Indonesia had before they collapsed. It is not sustainable.

We asked, How is that going to rectify itself?

He said the dollar will collapse.

And so I said the idea is that the dollar collapses, we pay more for goods, U.S. goods are cheaper. Right?

Yes.

But I said, guess what, if we do not manufacture anything anymore, it just means everything you are importing to run your economy has become a lot more expensive, like oil, critical high-tech components, everything that we are buying, all of the shoes and clothes, all becomes more expensive here in the United States; and our trade deficit might even go up.

With that he turned away from me and did not want to continue the conversation. We are defying conventional wisdom here. The conventional wisdom is if our dollar tanks, yes, it hurts a little bit; but we will turn our sights inward and buy from our own manufacturers. But guess what, our own manufacturers have been sold out by these trade agreements.

Try and buy some running shoes made in America. There is apparently one company that makes men's shoes in the United States. Try to buy a suit made in the United States of America.

Ms. KAPTUR. Mr. Speaker, if the gentleman would yield, do not try to

buy slab specialty steel made by domestic manufacturers in the heartland of America that I represent because the last one just closed. If you are an independent machine toolmaker, you cannot find that product. It is a very, very serious situation.

I just want to put two words on the record to add to this discussion: one is "recession" and another is "repression."

In terms of recession, if we think about the recession that we are crawling our way out of, and some parts of America are still in, what triggered it? Rising oil prices for imported fuel. People have forgotten that.

Before September 11, we were already struggling with a hammerlock on this economy; and then after September 11 when the OPEC countries and some of the other oil exporting countries got worried, they lowered prices. Then they are coming back up again. This is a very manipulated price scheme, and that was proven by the Federal Trade Commission in some of the initial investigations done as we entered this recession.

The American people should remember that rising petroleum costs and imports, the rising costs of imports, can really kick this economy in the shins. If we think back to the 1970s and what happened in those decades with the Arab oil embargoes and the severe depression that this country was thrown into because of the costs of rising imports, we are now importing more than we did back then. Yes, we are conserving more at the same time, but we have not created the new fuels here at home. What we need to do on the public and private sides, we have been bunting rather than hitting three-base hits.

□ 1900

It has made a huge difference in our ability to handle our economy in a way that preserves our independence and does not do as much harm here at home.

The other word I wanted to just say a word about, if I could, and that is repression, because some of the very countries that receive the dollars when our people go to the gas pump, for example, and they buy petroleum that is refined into gasoline from other countries, those dollars go to them. What do they use them for? The gentleman from Oregon mentioned Saudi Arabia. Most of the terrorists were born or spent time in Saudi Arabia. That is a very repressive regime. And our dollars support it. What did Osama bin Laden say? He said that he wanted U.S. troops out of Saudi Arabia. What are U.S. troops doing in Saudi Arabia? Thousands and thousands and thousands of troops, what are they doing there? And what happened to the USS *Cole* about a year and a half ago in Yemen harbor when a suicide bomber hit our destroyer, what was that ship doing there in the Middle East? Could it be anything to do with watching the oil lanes

and the movement of tankers out of that region of the world? I think it had a whole lot to do with that and I think it is important for us to think about who we are supporting when we spend our dollars.

It is very hard for the American people to do anything on the petroleum issue because when they go to the gas pump, they do not know that Citgo gets its gasoline from Venezuela, they do not know that Occidental has fields in Colombia, they do not really think about Exxon in Saudi Arabia, they do not associate a company name with a country. Yet that is exactly what is going on. And so if you buy that product, you support through the transaction the regimes of those countries and there is not a single democracy among them. And in the end the people living in those countries translate our behavior as a society into what they experience in their own homelands and they want a better way of life, but the regimes there do not permit it. And so some of the anger directed against the United States is a direct result of the economic relationships that keep them down.

I would just maybe brag a little bit here about an organization in northwest Ohio called Northwest Ohio Ethanol, because at the same time as our Marines and Special Forces are defending the edge of freedom globally, there are things people can do here at home. And in terms of our energy trade deficit, one of the most important actions we can take is to become fuel self-sufficient. We have a new private company, Northwest Ohio Ethanol, that has been incorporated, that is selling shares on the private market so that Ohio's farmers can come together and provide a new fuel for the future.

We only have two biofuel pumps in the entire State of Ohio, a State of 11 million people. I want to buy an E-85 car. I want to buy a biodiesel vehicle. I would be a fool to do it in Ohio because I cannot get the fuel to put in it. And so this deficit is really a very wicked thing, because the average American cannot alone dig out of it. The actions that one could take as a consumer are precluded because of the very large interests that control the refining and the supply of fuel to the marketplace. It is important to think about the words recession at home and repression abroad and what kind of a political endowment we are bequeathing to the future.

Mr. DEFAZIO. I thank the gentlewoman from Ohio for assisting in this special order this evening. We will have opportunities to discuss this again. You have certainly opened up the door to discuss energy self-sufficiency and energy policy which I think is one of the strongest steps we could take to make this country secure for the next century, both militarily and economically. I would love to engage in a special order on that subject some evening.

Ms. KAPTUR. I would enjoy that opportunity as you are such a leader in all those areas.

Mr. DEFAZIO. I thank the gentlewoman. I realize she has to leave and I am almost done myself.

I want to go back and reiterate a couple of points. In my own State, 41,000 jobs lost to trade in the last decade, a number in wood products, some in textiles, others in other industries. This is a loss that did not need to happen. We did not need to lose these industrial wage jobs with good benefits to unfair trade. But unfortunately it was done under auspices of United States law. That is, agreements that were pushed through, started in the Reagan administration, continued in the first Bush administration, brought to fruition by the Clinton administration and now the next Bush administration wants to expand on those failing policies.

Think of that. How much bigger do they want the trade deficit to be? How many more millions of U.S. manufacturing jobs do they want to export? There are not many left. We already know that the deficit is not sustainable. The growth of our merchandise trade deficits over the last 10 years, 1990 to 2001, with our free trade partners, Mexico, 1,861 percent growth; China 713 percent growth; the WTO membership generally that is from the Uruguay Round, 300 percent; the Caribbean Basin Parity Act, 131 percent; and sub-Saharan Africa, 64 percent. Those are numbers from our own international trade commission. That is an outline of the success of these trade policies. They are a success for multinational corporations or corporations that were formerly U.S. corporations but now do not want to think of themselves or act in that manner anymore, who are exporting our wealth and our jobs.

I have a couple of more quotes. This one is from one of my favorite groups, the International Monetary Fund, and that was said sarcastically. I think they have done more damage to the world economy than virtually any other organization, but they are now saying:

"The sustainability of the large U.S. current account deficit hinges on the ability of the United States to continue to attract sizable capital inflows. Up to now these inflows in large part have reflected the perceived attractiveness of the U.S. investment environment but such perceptions are subject to continuous reappraisal."

And with the questions about the bookkeeping and the real profitability of many firms on Wall Street, with the rapid decline of the U.S. dollar, those perceptions are changing very quickly. In fact, the United States of America, not one of these corrupt companies like Enron, the United States of America has been put on the Standard & Poor's watch list for 20 countries that are vulnerable to a credit bust. Why is that?

Because Americans are not working hard? No. Because we are a resource poor country? No. Because we have a totally failed trade policy and the current President and the majority in the House of Representatives, the Republicans, want more of the same as medicine to cure that ill. We are talking about the potential to bankrupt the United States of America, to turn us into a yet larger Argentina. They were the miracle of South America, the highest standard of living, a European country in South America is what they were called for many years and now they are a basket case, because of the dictates of the IMF, because of policies that are similar to the ones we are engaging in here in the United States with trade.

This is not sustainable. These policies must be changed. It will be unconscionable. And the fact that we are not working here tonight, we are just chattering and in fact the House got out of here at 3 o'clock today and are rumored to be out at 2 o'clock tomorrow and maybe 1 o'clock on Thursday and noon on Friday, because the Republicans cannot quite get together the votes to jam through one more time a bill to rubber stamp this totally discredited and failed trade policy. The President is probably on the horn right now to some reluctant Members saying, "Oh, I know it's going to hurt you at home. I know it's going to put people in your district out of work. I know this is a real problem for you, but I'll do something to make it up." Those are the kind of phone calls that are going on on that side of the aisle. They want their Members to vote against the interests of the people living and working in their districts and in the United States of America in the interest of a few very powerful multinational corporations, the oil industry and others who are essentially dictating trade policies through this administration, and, sadly, as they did through the Clinton administration and the predecessor Presidents for the last 25 years, ever since we started running huge and growing trade deficits, our trade policy has been run by corporate America and intellectual elite that do not see reality and do not want to regard reality and do not want to look at sustainability.

I am hoping that a majority of my colleagues here in the House of Representatives will see that issue for what it is, the lies for what they are, and vote to adopt a new trade policy for this country, one that will serve us better and turn our deficits and our hemorrhaging of industrial jobs around.

#### RECESS

The SPEAKER pro tempore (Mr. SIMMONS). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 11 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2102

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SESSIONS) at 9 o'clock and 2 minutes p.m.

#### REPORT ON RESOLUTION PROVIDING FOR THE ESTABLISHMENT OF A SELECT COMMITTEE ON HOMELAND SECURITY

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107-517) on the resolution (H. Res. 449) to establish the Select Committee on Homeland Security, which was referred to the House Calendar and ordered to be printed.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for today on account of important personal reasons.

Mrs. ROUKEMA (at the request of Mr. ARMEY) for today on account of illness.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FILNER) to revise and extend their remarks and include extraneous material:)

Mr. FILNER, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. PAYNE, for 5 minutes, today.

Ms. MCKINNEY, for 5 minutes, today.

Ms. WATSON of California, for 5 minutes, today.

(The following Members (at the request of Mr. SOUDER) to revise and extend their remarks and include extraneous material:)

Mr. WELDON of Florida, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

#### ENROLLED BILLS SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3275. An act to implement the International Convention for the Suppression of Terrorist Bombings to strengthen criminal laws relating to attacks on places of public use, to implement the International Convention of the Suppression of the Financing of Terrorism, to combat terrorism and defend the Nation against terrorist acts, and for other purposes.

H.R. 4560. An act to eliminate the deadlines for spectrum auctions of spectrum previously allocated to television broadcasting.