

the Columbia River Gorge is significantly degraded and that visibility is impaired 95 percent of the time in this National Scenic Area.

Also, according to Federal sources, this area suffers acid rain as severe as what falls in industrial cities such as Washington, D.C., Baltimore, Pittsburgh, and New York City. It is crucial that this proposal be thoroughly vetted to take into account the environmental impact on the Columbia River Gorge National Scenic Area, its habitat, and the surrounding communities. I note that there are six endangered or threatened species in the Gorge, and over 40 sensitive species in the Columbia River Gorge.

Placing a casino in the Columbia River Gorge has been presented as a choice between Hood River and Cascade Locks, two communities on the Oregon side of the Columbia River Gorge. I emphatically reject this Hobson's choice. The Hood River casino site is a red herring, neither physically buildable nor legally available for tribal gambling purposes. The argument that unless a casino is permitted in Cascade Locks, it would inevitably be built in Hood River is a smoke screen used to hide other appropriate non-Columbia River Gorge sites.

Also, allowing this casino in the heart of the Columbia River Gorge, on land far removed from the Tribe's existing reservation, would set a precedent encouraging other Oregon tribes to demand off-reservation casinos closer to the lucrative Portland market. Allowing for an off-reservation casino in this situation also could set an adverse precedent at the national level.

Until now, Oregon's policy, set by former Governor John Kitzhaber, has been to limit each tribe to one casino on reservation land held in trust. The Kitzhaber policy has been stable over the years and has prevented an arms race to get closer to the lucrative Portland metro market. Breaking the Kitzhaber policy would inevitably lead to more off-reservation casinos throughout Oregon and potentially also in neighboring States. Indeed, once this is allowed, there is no logical stopping point. All tribes would have their interests affected adversely both by an arms race to the Portland metro area and by a potential general public backlash against all Indian gaming.

This is more than a mere compact to govern gambling. The compact is a blueprint for the development of a specific large-scale commercial casino complex within one of Oregon's most scenic and ecologically sensitive areas. This compact should be disapproved so that we can protect the Columbia River Gorge National Scenic Area, limit off-reservation Indian casino proliferation, protect the long-term interests of all federally recognized tribes in Oregon, and act in the best interests of the surrounding communities, ranging from Hood River to Corbett to Portland to Beaverton.

The earliest Oregon pioneers, Indian and white alike, came down the Colum-

bia River Gorge to find an Eden of the west. They traveled through the Gorge, a marvel then and a marvel today, to seek new hope. We betray their hopes and dreams if we despoil the crown jewel of Oregon's natural heritage in order to maximize short-term gambling projects.

#### ON CAFTA

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

Ms. KAPTUR. Mr. Speaker, Bloomberg News reported today, and I read the quote, "CAFTA," the expansion of NAFTA to all of Latin America, "will fail in Congress." And Peter Morici, a University of Maryland professor and former chief economist for the International Trade Commission, comments: "CAFTA is in trouble because of frustration with Bush administration inaction on the trade deficit and the Chinese yuan," which means that we are not dealing with the difficulties of the exchange rate between not just China and the United States but several other nations.

One and a half years ago, a 7-member Congressional delegation traveled to Mexico to examine the modern template for all of these trade agreements that is called NAFTA, the North American, I like to call it "failed" Trade Agreement, and the impact it has had on working families and farmers on both sides of that border.

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The delegation included the gentleman from Illinois (Mr. COSTELLO), the gentleman from Arizona (Mr. GRIJALVA), the gentlewoman from Illinois (Ms. SCHAKOWSKY), the gentlewoman from California (Ms. SOLIS), the gentleman from Mississippi (Mr. THOMPSON), the gentleman from Ohio (Mr. STRICKLAND), and myself. Our delegation produced a final report entitled "NAFTA at Ten: Journey to Mexico." It is included on the Web site, [www.kaptur.house.gov](http://www.kaptur.house.gov).

Mr. Speaker, at the end of my Special Order, I include for the RECORD a summary of recommendations that our delegation made to fix NAFTA. In that vein, during our trip we met other parliamentarians, including the Honorable Victor Suarez Carrera of Mexico, during that journey. Representative Victor Suarez Carrera is currently serving as a federal representative for the 16th District of Mexico City in the Mexican Chamber of Deputies, so he would be our counterpart.

He made an eloquent speech saying, I plead with you, Congress of the United States, we the people of Mexico want good trade, not just free trade. He expressed a deep desire to visit our country to tell the American people how NAFTA was not just negatively impacting the people of our country but also the people of Mexico.

And so as this Congress considers an expansion of NAFTA to Central Amer-

ica, the CAFTA agreement, to Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua and the Dominican Republic, we are honored to welcome Deputy Suarez to the United States. He will be arriving tomorrow with his delegation of Mexican parliamentarians. They will be here Wednesday and Thursday and participate in extensive talks here in Congress on U.S.-Canadian and Mexico Inter-parliamentary cooperation on NAFTA and CAFTA. They will also travel to other places in the United States.

I want to put up a chart to show the difficulty from the United States standpoint. Every single year since NAFTA was signed, rather than the job creation we were promised, the United States has exacted larger and larger trade deficits with both Mexico and Canada. Those numbers were supposed to be exactly the reverse.

In Mexico, wages have been lowered. And Mr. Suarez comes from an area called Scala in Mexico, the southeastern region of Mexico, and we were literally in these fields with him talking to the farmers who have been displaced from their land in the nation of Mexico. It was so tragic to hear their stories. The American people need to hear the stories from the people of Mexico. It is not just our workers and farmers that are being hurt; they are being hurt as well.

Mr. Suarez is currently president of the Committee for the Center for Studies of Sustainable Rural Development and Food Sovereignty within the Chamber of Deputies. It is important to note he has been a leader and promoter of a movement in Mexico called The Countryside Cannot Take It Any More. He is also active in international peasant movements and in an inner-American network called Agriculture and Democracy.

The objectives of our trinational meeting among parliamentarians are to create an intercontinental space for reflection, exchange of ideas and collaboration related to alternative forms of economic integration and trinational development that helps people better their lives rather than reduce their livelihoods and looks ahead to what happens next after NAFTA as we stop CAFTA in its tracks.

Our effort is to foster dialogue and exchange between legislators and civil society organizations to further develop ideas for alternatives to the current framework surrounding the flawed free-trade model and to find better ways to achieve trinational development.

Another goal is to identify some of the more critical impacts of the 11 years of NAFTA, focusing on an analysis of both national level and sector-specific effects. And finally, we seek consensus among our parliaments on possible future actions that could be taken trinationally among legislators and between organizations and civil society to directly address some of the critical impacts of NAFTA and look

ahead to negotiation of a NAFTA-plus agreement.

One of the border towns that we visited, and I put up this particular picture, was of women and men living in these tiny shacks who have been displaced from the countryside.

Mr. Speaker, we welcome Mr. Suarez Carrera with his colleagues and look forward to the launching of a continental effort to speak out on behalf of farmers and working people of the Americas.

**NAFTA AT TEN: JOURNEY TO MEXICO**

[From the Report of the U.S. Congressional Delegation, Nov. 14, 2003]

**EXECUTIVE SUMMARY: NAFTA AND THE FUTURE OF GLOBAL TRADE**

The North American Free Trade Agreement (NAFTA) is now ten years old. At its heart, it embodies the new heroic struggle of working men and women to gain a foothold in the rough and tumble global economy dominated by multinational corporate giants. Unfortunately, it pits local workers and farmers against global investors. It pits Neustro Maiz, a peasant tortilla co-op in southern Mexico, against ADM, the US grain trade giant. It pits Norma McFadden of Sandusky, Ohio, who lost her middle class job with benefits at Dixon Ticonderoga, against Ana Luisa Cruz of Ciudad Juarez, who earns \$7 a day with no benefits. For NAFTA to be credible as a model for future trade agreements, it must be amended. People should be more important than goods. A human face to trade must be negotiated. Without it, the global divide between poverty and wealth will exacerbate. More popular unrest will result from unfair trade, and the social compact so necessary for global cooperation will be shattered.

NAFTA is important because it serves as the major template for a new global economic order integrating rich and poor nations through trade and investment. Mexico, Canada and the U.S. were to integrate their economies and, as a result, be better positioned to compete globally. It was touted as the neo-liberal model that would lift the economic condition of all people. All ships, no matter how small, were to be brought forward. But NAFTA worked exactly in the reverse. Affected workers in all three nations saw their wages and working conditions lowered. As capital moved across borders with no social policies in place, NAFTA has triggered an international race to the bottom as even Mexico has lost 218,000 jobs to China, a lower wage environment with a notorious record of human rights abuses.

Capital and wealth have become more concentrated in all three nations. The middle class in the U.S. is experiencing a growing squeeze on benefits and job quality. In Mexico, an endless supply of "starvation wage" workers was unleashed. Now the Bush Administration is trying to spread the same model to Central America using Central American Free Trade Agreement (CAFTA), and throughout the rest of the Western Hemisphere with the Free Trade Area of the Americas (FTAA). If these agreements are passed, it is clear that only the same can be expected, that is, expanding job washout, underemployment, and trade deficits in the U.S. without improved living standards in the poor countries with whom it trades.

A reformed trade model among trading nations is needed that yields rising standards of living for workers and farmers. This must be based on transparent and enforceable rules of law concerning labor, environment and business. Continental sustainable wage and labor standards should be adopted. Trade

accords must also incorporate industrial and agricultural adjustment provisions, and currency alignment. An infrastructure investment plan should be negotiated as a core provision of any trade agreement. Complementary systems for education and safe, reliable medical care for all citizens, including the over 9 million immigrants traveling as itinerant labor to the U.S. every year, must be addressed as central concerns of integrated economies.

**RECOMMENDATIONS**

Policy reforms are essential to amend NAFTA and other trade agreements that have yielded such huge U.S. trade deficits, job washout, and lowered standards of living.

**A CONTINENTAL ASSESSMENT OF NAFTA SHOULD BE LAUNCHED TO ADDRESS ITS SHORTCOMINGS**

An intracontinental parliamentary Working Group on Trade and Working Life in America, comprised of U.S., Mexican, and Canadian members, should be established with the goal of amending NAFTA to address its shortcomings. Such a working group should analyze the results of NAFTA and its impact on workers, farmers, and communities. The Working Group should define a sustainable wage standard for workers in each country and a continental labor registration system along with enforceable labor and environmental standards. It would identify the massive continental labor displacements that are occurring, often with no social safety net in place. It would explore options to deal with divergence in education and health as well as currency fluctuations and impact of trade on infrastructure, investment, and migration. It would harmonize inequitable tax systems and augment credit systems for the safe and non-usurious continental transfer of remittances by mobile workers. It would also propose funds in the form of adjustment assistance to cushion continental economic integration. The organization would include as a key component an intracontinental Agricultural Working Committee to address the hardships faced by farmers and farm labor in all three countries.

**TRADE AGREEMENTS SHOULD YIELD TRADE BALANCES**

If NAFTA were working in the interest of the U.S., there would be a trade surplus with Canada and Mexico, as the U.S. exported more than it imported. Exactly the reverse is true. In 2003 the NAFTA trade gap equaled 100 billion—\$42 billion with Mexico and \$85 billion with Canada. This represents a serious drag on U.S. gross domestic product and a loss of wealth. Indeed the U.S.-NAFTA trade balance with low-wage Mexico as well as Canada has turned decidedly more negative, and worsened each year, contrary to NAFTA's stated aims. When a trade agreement yields major and growing deficits for more than three years, it ought to be renegotiated.

**DEVELOP AN ALTERNATE TRADE BLOCK PARADIGM**

Trade agreements must be structured to achieve rising standards of living for a broad middle class not just the capital class. The current NAFTA model fails to address the root causes of market dysfunction and growing U.S. trade deficits i.e., the managed market and regulated trade approaches being employed by its European and Asian competitors. With NAFTA, the U.S. chose a low wage strategy to meet this real competition from trading counterparts that were gaining global edge. The U.S. must counter the managed market and regulated trade approaches of its major competitors.

**HARMONIZE QUALITY OF LIFE UP, NOT DOWN**

Rather than allowing transnational companies to set the rules of engagement, demo-

cratic nations first should forge international trade agreements with the world's developed democracies and then invite in developing nations to participate in this "free world" Global Trade Organization. Such an effort holds the potential to transition these nations upward to the same democratic, legal, and environmental systems of the free world. Instead, the trade relationships that have been forged link the economic systems of first world democratic nations to Third World, undemocratic, non-transparent systems. Social concerns like education, environment, infrastructure, labor conditions, and health have been ignored. The downward "race to the bottom" push of NAFTA continues to be felt in the U.S. as well as Mexico and Canada.

**TRADE ACCORDS SHOULD PRODUCE LIVING WAGE JOBS, LESS POVERTY AND AN IMPROVED ENVIRONMENT**

If NAFTA were working, more good U.S. jobs would be created, outnumbering job losses. In Mexico, workers would experience a rising standard of living. Exactly the opposite is true. Conservative estimates indicate the U.S. has lost 880,000 jobs due to NAFTA. These jobs are largely in U.S. companies that merely relocate to Mexico paying "hunger wages." Wages in Mexico have been cut by a third. If NAFTA were working in the interest of Mexicans, there would be a reduction in poverty, a growing middle class, and environmental improvement. Instead there is a rollback in wages, deplorable working conditions, and growing economic concentration of wealth in a few hands, forcing huge social dislocation.

As U.S. jobs are sucked into Mexico, not only do more people vanish from the middle class but also U.S. schools lose property taxes. In a state like Ohio that has lost nearly 200,000 jobs to Mexico, the economic decline is visible. Ohio's income growth is declining. In 1999, according to Ohio Department of Development statistics, citizens in Ohio lost \$30.7 billion in total income compared to the past year. The state itself lost \$15 billion. As a result, college tuition has increased with average student undergraduate debt rising to record levels of \$18,900. Nursing homes are understaffed with low paid workers, and the ranks of uninsured Ohioans has risen to 1.3 million. The State is raising taxes on everything from sales, to gas and to property to try to fill the gap of a fleeing private sector. Quality of life is sliding backwards. NAFTA-related environmental enforcement remains largely nonexistent. If NAFTA were working, environmental improvement in Mexico would be upgrading; it is sliding backward.

**TRANSITION U.S./CANADIAN DISPLACED WORKERS TO COMPARABLE EMPLOYMENT AND MEXICO'S WORKERS AND PEASANTS TO LAND HOLDING AND LIVING WAGE STANDARD**

NAFTA—displaced workers in the U.S. largely have been abandoned in their efforts to reposition to new employment. Unemployment benefits expire, training is inadequate, and health benefits expire or are unaffordable. Experienced workers rarely find jobs with comparable payor benefits. Mexico's vast underclass, underpaid, and exploited, lacks a living wage, affordable elementary education, basic health care, and systems to gain property ownership and affordable credit even for basic purchases. In order to move forward with any future trade agreements, NAFTA must acknowledge its human toll and respond accordingly. NAFTA provisions have led to the displacement of thousands of small business, industrial and agricultural workers throughout the U.S., Mexico and Canada. Little provision has been made to assist these workers, farmers, and communities with any transitional adjustment assistance. In Mexico, this has

caused masses of people to stream toward the border and the maquiladora zones in search for jobs.

The North American Development Bank, which was established to help local communities build their human and physical infrastructures, has been an abject failure. It should promote economic investment in those regions of Mexico and the United States where jobs have been hollowed out due to NAFTA, or infrastructure is needed. Bank assets could be enhanced by financial contributions that flow from trade-related transactions.

**CREATE NEW CONTINENTAL LAW ENFORCEMENT BODY TO COMBAT GROWING CRIME ALONG U.S.-MEXICO BORDER REGION RELATED TO BORDER WORKERS, DRUGS, AND UNSOLVED MURDERS OF HUNDREDS OF MEXICAN WOMEN**

The United States Departments of Labor and Homeland Security should be tasked not only with stopping the trafficking of bonded laborers but devising a continental labor identification card. Along with mass migration, the border has seen an explosion in the illicit drug trade. Law enforcement officers on both sides of the border must battle smuggling in narcotics and persons. A continental working group should be directed to recommend a new solution for combating crimes that result from the illegal drug and bonded worker trade that spans the border.

**NAFTA AT TEN (1993–2003)**

Congress narrowly passed the North American Free Trade Agreement (NAFTA) in November 1993, after an emotional and protracted political struggle that engaged the entire nation. (Final Vote: 234–200—Republican: 132 ayes; 43 noes. Democrats: 102 ayes; 156 noes. Independent: 1 no)

Wall Street confronted Main Street. The full weight of the legislative battle was best reflected in House deliberations (<http://thomas.loc.gov>). Never had a trade fight garnered this type of attention from the general public. Multinational corporations, many displaying their products on the White House lawn and using offices in the U.S. Capitol itself, lobbied hard to change the laws and relationships that govern wages and working conditions for the majority of America's workers.

The workers and people of U.S., Canada, and Mexico all would be affected in major ways. Their livelihoods, communities, and the standard of living on the continent were at stake. Congress became the only venue in which their concerns were given some voice.

The evaluation of America's ten-year experience with this agreement is crucial. In 2004, debates loom over expansion of NAFTA into other poor and middle-income countries in Latin America through the Central American Free Trade Agreement (CAFTA) and the Free Trade Area of the Americas (FTAA).

Is the "NAFTA trade model" worthy of expansion? Or does it need to be fixed?

NAFTA was a precedent-setting economic agreement. At the time of its passage "free trade" was relatively a new concept. It had been employed in rare circumstances, only recently in U.S. history, just since 1985, when the U.S. signed a "Free Trade" agreement with Israel to eliminate all duties on trade between the two countries over a six year period. Certain non-tariff barriers remained for agricultural products. But Israel was a small country with a middle class population of six million. Its integration with the U.S. market of over 250 million consumers at the time was accomplished with minimal disruption. Unfortunately, NAFTA's flawed, untested architecture has served as the "model" for successive trade agreements negotiated by the U.S. with developing nations which have huge impoverished populations, such as China. As a result, the U.S. has amassed

trade deficits with most nations in the world and, a loss of U.S. jobs and growing stress on middle class living standards.

The NAFTA "agreement" should actually have been negotiated as a "treaty" due to its wide-ranging impact—socially, economically, environmentally, and politically. Yet, its authors easily used the legislative vehicle of an "agreement" to stifle debate since Congress cannot amend trade agreements. A "treaty" would have allowed much closer scrutiny allowing time for amendment and full debate. A treaty would have been a more appropriate approach in view of the collateral damage NAFTA has caused especially to poor and working people across our continent. NAFTA is very imperfect legal basis on which to forge the terms of engagement for the people of the American continent.

**REFORMING THE TRADING BLOCK PARADIGM**

One of NAFTA's central aims was to stimulate a North American trading bloc that could compete with anticipated competition from a unified European Union. As well, Japanese-Asian integration had been already eating into global market share the U.S. had dominated, particularly automotive production. But rather than addressing root causes of market dysfunction and growing U.S. trade deficits—the managed market and regulated trade approaches being employed by European and Asian competitors to gain global edge—with NAFTA, the U.S. chose a low wage strategy. This has had real consequences.

Mexico's workers have been dispossessed by a global economic system that preys on their weakness rather than securing for them the rights and opportunities won by first world workers over the last two centuries. There has been no improvement in economic conditions for the vast majority of workers of Mexico since NAFTA. Moreover, U.S. workers continue to lose middle class jobs. A similar plight afflicts the European Union as it struggles to integrate the corruption-ridden, emerging states of the former Soviet Union. In Asia, Japan—the second largest market in the world—remains a closed and a formidable economic powerhouse having surpassed the U.S. in 1985 as the world's premier auto producer. Its protected internal market and bold manipulation of Chinese, Korean, and other Asian labor-intensive operations has allowed it to gain growing market strength. It secures its internal production, exploits cheap labor elsewhere, and exports those goods to first world markets or invests in them.

NAFTA aimed at continental "free trade", i.e., tariff elimination, between U.S., Mexico and Canada. Yet by the early 1990's, most tariffs already had been reduced between the three nations, with an effective overall tariff rate of about two percent. Indeed, NAFTA concerned something else. Its unstated aim was to provide a government sanctioned insurance scheme for rising investments by transnational corporations in low wage nations starting with Mexico, which was close to the U.S. market, and where subsistence labor was plentiful. NAFTA accelerated the shipping out of U.S. jobs. For unlike tiny Israel, the populations of Mexico and Canada totaled over 125 million persons: Mexico's largely poor population equals over 100 million and its workers fearful about organizing trade unions to gain living wages. The low wage pull was irresistible.

By the early 1990's, the U.S. was already falling behind Europe and Asia as its global trade deficit in goods rose with each passing year. With NAFTA's passage, the export of U.S. jobs to Mexico exploded. Mexico started to import vast quantities of Chinese products that then backdoored their way into the U.S. The U.S. job market began to shift mil-

lions of jobs to third world environments as reflected in rising global trade deficits. Outsourcing of production and services, even of American icon products like Amana, Brach's, Hoover, and the PT Cruiser, became commonplace and accelerated.

The SPEAKER pro tempore (Mr. REICHERT). Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. FLAKE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

(Ms. LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. GUTIERREZ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

(Ms. JACKSON-LEE of Texas addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. MEEK of Florida addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)