

THE POPULIST CAUCUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. BRALEY) is recognized for 60 minutes as the designee of the majority leader.

Mr. BRALEY of Iowa. Mr. Speaker, I'm excited to be here tonight to talk about the Populist Caucus and to spend some time with members of that caucus talking about issues that are important to the people of America.

One of the things that I think is important to talk about is why we decided to start this caucus and what it is going to do. So it is important for people to understand that populism is not a bunch of people walking around with pitchforks. It is people who care about middle-class economic values and how those values are translated into public policy that is set here in Congress and at the White House.

And to give a brief history lesson, this is not the first Populist Caucus that has ever been organized in Congress. In fact, the very first Populist Caucus that we have been able to identify was formed in February of 1983. And I think it is striking because of some of the members who were part of that first Populist Caucus. Most of these members were Midwest Democrats. They included my Senator from Iowa who was a representative at the time, TOM HARKIN. It also included Berkley Bedell, an entrepreneur from Spirit Lake, Iowa, my friend Lane Evans from Rock Island, Illinois, former Senate majority leader Tom Daschle, former Vice President Al Gore, Senator BYRON DORGAN from North Dakota, our good friend JIM OBERSTAR from Minnesota, who is Chair of the House Transportation and Infrastructure Committee, and the current Governor of New Mexico, Bill Richardson.

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Now, one of the things that drew these members together, back in 1983, was an economic crisis that was having a profound impact in farm country out in the Midwest. And the first Chair of the Populist Caucus was TOM HARKIN. And the caucus was organized to fight for economic goals like fairer tax structures, lower interest rates and cheaper energy, because we were experiencing an energy crisis in 1983. And one of the first things that that Populist Caucus did was ask constituents from their districts to mail them their gas receipts to show the rising price of gas and how it was affecting their ability to take care of their families.

Even though the new Populist Caucus is organized on a very broad coalition, with members from all over the country, with representatives of the Blue Dogs, the New Democrats, and the Progressive Caucus, with members from the Congressional Black Caucus, the Congressional Asian Caucus and the Congressional Hispanic Caucus, we wanted to bring a laser beam focus to

the types of economic issues that affect middle class Americans and people struggling to get into the middle class. And one of the reasons we chose to do that is because we know that this country has been strongest when it is focused on promoting values through public policy that are going to protect and expand the middle class. And that's why we were very excited when we formed the caucus this year.

I'm going to be introducing some of my friends tonight who are members of the caucus, including some of the vice chairs. But let's talk about why now is the time and now is the place for this caucus.

We know that the middle class is the economic engine that drives America's growth. We know that when policies in Washington reflect middle class values, it does more to expand economic opportunity throughout this country. And we know that when there are gross disparities in income between the middle class and the upper class, which we've seen played out over and over in this current economic crisis, it creates conflict that divides us as a country, rather than bring us together.

And so what we're going to be talking about tonight is some of the values that we think are critical for the American people to be focused on in this economic crisis, values that our members reflect every day back in their district, values that their constituents live every day back in their districts.

And one of the things that I want to do is talk briefly about how we take this philosophy of strengthening and expanding the middle class, and translate it into action.

One of the first things we did as a caucus was talk about what our founding principles were going to be. And again, we wanted to go back to these shared values that reflect the entire diversity of our Democratic Caucus and how that is translated into the people we represent in diverse districts all over America. And some common themes kept coming back to us, and those themes are, good jobs, middle class tax cuts, affordable health care, quality education, fair trade agreements, and consumer protection and corporate accountability.

Now, we've heard a lot lately about corporate accountability. We're going to be spending some time talking tonight about how corporate accountability isn't just a restriction on how corporations operate, but it's part of their fundamental compact they make with the American people to be responsible stewards of their investors' assets and to provide value to all Americans, not just to their shareholders, in the way they conduct their business, the way they hold themselves out, and the way they lived responsibly under the protections and legal opportunities that they are allowed to operate under in each State of the United States.

So I'm going to start now by introducing one of the vice chairs of the

caucus, my good friend from the State of New York, and his name is MIKE ARCURI. And MIKE is going to talk a little bit about what motivated him to be one of the founding members of the Populist Caucus, and where he sees this caucus moving in the future as we focus with a laser beam on these economic values to help our constituents.

Mr. ARCURI. I want to thank my good friend for yielding, and I want to thank him for having the idea and for bringing this to fruition. It's taken, certainly, a lot of work and a lot of effort, not only on your part, but on the part of your staff, to bring this together, and I want to thank you for that, because, I thank you on behalf of, not just my constituents in New York State, but for constituents and middle class throughout the country.

The things that I think the Populist Caucus stands for are the issues that are important to middle class. And also, I think it's critically important that there is a grain of truth that the middle class gets. They need to have someone out there defending them, looking out for their interests and, most importantly, telling them the truth.

And you know, I was listening with interest, as I know you were, just a couple of moments ago to my colleagues on the other side of the aisle talk about some of the budget proposals of President Obama, and some of the points that I think we'll probably end up talking about at some point during the evening. But they talk about the fact that the numbers in the budget are the largest that they've seen, that there has been in years.

The thing that they don't tell you about that, however, is the fact that, for the first time in our history, the cost of the war is actually put on the books so that the American people get the truth. They actually know how much is being spent. In past administrations that was never on there. We just borrowed the money as we went along and, as we say it, funded the wars off the books. So the American people never knew actually how much it was costing for our war, how much all of these things were costing. This is an honest, this is a true budget.

But the thing about it, and I think the thing that's most important is this is really not just a budget. This is a long-term plan for the future of America, for the future of America's middle class.

And I listen to my colleagues, and I hear them talk, and I hear them criticize, but I did not hear a single alternative proposal with respect to what they were proposing to make the life of the middle class, to make the life of Americans better, to help Americans find jobs, to help Americans improve their quality of life. That's what we're looking for. That's what we, I think, as populists, look for and try to promote.

During the height of the Depression, Franklin Roosevelt once said some words that now adorn the monument to

him that's located just a short distance from where we are right now. And those words are as powerful today as they were when he said them so many years ago. "The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little." Very profound words then, and very profound words today.

However, over the past 8 years, the Republican White House and Congress have largely ignored the fundamental truth in favor of the policies that focused on a top-down economic and social policies that benefit, frankly, big business, the wealthy and the well-connected, and don't look out for America's middle class. And that's why we're here.

As a result, the middle class families that have always been the true engines for our national economy, the center of our culture, and the foundation for our national security, have been left behind with the devastating results of our entire Nation. And now we're all paying the price.

The mission of the Populist Caucus is to re-establish the core middle class American values that made this country great as the guiding principles of our political discourse and our government here in Washington.

As history has repeatedly demonstrated, a prosperous middle class means a more prosperous America. A vibrant growing middle class has been the hallmark of our strength as a Nation over the past 70 years.

The Populist Caucus will aggressively fight for the passage of common-sense legislation focusing on the expansion and prosperity of the American middle class.

You mentioned just a little earlier, of late we've been hearing a lot in the media of the so-called populist rage and the anger of the middle class at the AIGs of the world.

Now, we are not here to incite or stir this populist rage, nor to promote class warfare in any way, shape, fashion or form. But we are here to see to it that the issues and interests of the middle class are protected and promoted at all costs.

Specifically, the caucus will focus on legislation that invests in working Americans, improves access to quality education for our children, creates jobs for the middle class that will bolster our economy, increase access to health care for all Americans, ensure that trade is not just free trade, but is fair trade, that the food you eat and the toys that your children play with are safe, and that we promote fiscal responsibility, accountability and discipline, and create a government that actually works for, not just the richest Americans, but for all Americans.

These are the fundamental building blocks that will create a strong foundation for sustained long-term economic recovery and growth in this country. In fact, these priorities are the only prov-

en and time-tested blueprint for long-term economic growth in America. Enacting these reforms represent our best chance at restoring the American Dream here at home, as well as continuing our role as the beacon of freedom and hope for the rest of the world.

I'd again like to thank you for inviting me to be here tonight, for organizing this, and I look forward to a very enjoyable discussion this evening.

Mr. BRALEY of Iowa. I thank my friend for those profound and insightful comments. And I just want to respond to one of the comments you made before I yield to my friend from Ohio.

You talked about how important it is to the populist values and middle class values to be open and candid with the American people. And I think that's one of the things about the President's budget proposal and the proposal we're voting on here that is lost in all of this chatter you hear on cable TV and on talk radio; is that, for the first 2 years that the three of us served in the House, all of these costs associated with the war in Iraq, the war in Afghanistan, were put into supplemental appropriations bills that were outside the normal budget process, and they were enormously expensive. And yet they were never part of the total numbers associated with President Bush's budget proposal to Congress. And the American people were being misled to believe that the budget numbers in the President's budget were an accurate reflection of their tax burden to support those ongoing efforts.

In fact, I introduced an amendment to the Defense Authorization bill that went even beyond that and said, we need to be truthful in disclosing to the American people the true cost of the war in Iraq and Afghanistan.

And all of us had prior professional experiences where we dealt with people who would place a long-term economic calculation on someone's loss of life, what their cost was for restitution, if you're prosecuting someone for committing a crime for the injury they caused to somebody. And you can hire economists that take the life expectancy of an individual, what their medical needs are going to be, especially if you consider the signature injuries in Iraq, which are post-traumatic stress disorder, traumatic brain injury and amputations.

And yet, we were getting nothing from the Department of Defense and the Bush administration about those defined, long-term costs that we owe to the veterans of this country who sacrificed honorably to protect and defend us. And yet, that is a huge component of the cost of the war that we have been prosecuting.

So I think you made an excellent point about what's really in this budget message is we're going to be honest with you; we're in a difficult time economically, but it's time for the American people to hear the plain truth about what it costs to run this government and put us back on a positive track. And I thank you for that.

And with that, I'm going to yield to my good friend from Ohio, BETTY SUTTON, who's been a strong advocate for middle class values, for populist messages and for the working trade group. And I would like you to share with us some of the reasons why you decided to join the Populist Caucus, and where you see this adventure going in the future.

Ms. SUTTON. Well, I thank my friend. And I too want to just extend our appreciation for your vision in organizing, not only this evening and all that we're here to do by way of introducing the Populist Caucus, but for forming the caucus in the first instance, because it is so critical that the people across this country know that their voices matter. And we are going to be a part of expressing those voices within the halls of this Congress, putting a face on the statistics that we so often rely on here. And sometimes it kind of gets away from some that those statistics actually refer to people and to families and what is happening to them.

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So I am very, very proud to be a member of the Populist Caucus and to be a part of bringing Members together who believe in investing in the middle class as well as in those who aspire to being middle class, because we know that that is what is vital for the strength of America.

As a caucus, we are committed to restoring, as my friend from New York has said and as you have said, Mr. Chairman, the core middle class values that made this country great, and we are committed to ensuring that our government's policies are in line with those values. A vibrant, growing middle class has been the hallmark of the strength of this country. It was the middle class that built this great Nation. A strong America depends on a strong middle class. Without a strong middle class, our country does not achieve as much as we all know it is worthy of. The middle class is the heart of this Nation. It is the engine that drives productivity.

Reflecting back on my youth, I grew up in a blue-collar community in Ohio, a community by the name of Barberton. I was the youngest of six kids—the proud daughter of a man who worked in a boilermaker factory. My mom worked at the city library. Because of their hard work, our family of eight had a good chance; we had food on the table, and we had the promise of the middle class before us and of all the opportunity that it delivered, and we took advantage of it, but that was a time when people could depend upon a good job. Oftentimes, those good jobs were manufacturing jobs, and you could rely upon them and sometimes work, as my dad did, in the same place for many years.

Now it is much more difficult. With health care costs rising, with insurance not available to all, with pensions a little shaky out there, to say the least,

and with many things that we, as young people, had the benefit of that are now at risk in this country, the promise of the middle class is slipping away from far too many. After 8 years of failed Bush policies, the middle class, frankly, and the country have been sorely hit.

They pushed through economic policies that benefited the wealthy and the well-connected. It is not just that. They did so at the expense of the rest of us. They allowed the banks and Wall Street to have seats at the table, often leaving working families left outside. They watched as millions lost their jobs, lost their health care, lost their homes, and sadly, lost their dreams.

The national unemployment rate has risen to a staggering 8.1 percent. In Ohio, it is at 9.4 percent. These are statistics that I'm talking about, but attached to those statistics are families, families who are going without even though all they want is a chance to make a living. They don't want things handed to them. They just want to have the opportunity in this great country to have a job where they can go to work, and they want to provide the things that we all had the great benefit of having as young people. The economic recession continues to challenge the resolve of the middle class as they strive to pay for life's basic necessities.

Now, here with this caucus and with our colleagues in this Congress, we are called on to chart a new path, one that is in line with the needs of the middle class, one that is in line with the hopes and the dreams of those who aspire to get there. That is the reason I was proud to join this caucus—to help find the road back to middle class values and to ensure that that dream becomes a reality again.

The needs of the middle class have been ignored for far too long, and it just has to end. We, the members of the Populist Caucus, will focus on the policies, as you have laid out here, that strengthen and improve the lives of American families, not policies that leave them behind. We must make the promise of the middle class in the 21st century what it once was—the moral and economic backbone of our Nation.

I think that the comments that you and Representative ARCURI have made, Representative BRALEY, are so on point, because, when we talk about the moral and economic backbone of our Nation, frankly, nothing reflects that any more than the budget. So your points about the budget, about what is contained in the budget and about the honesty of the budget are all critical to our government operating in a way that is worthy of the people whom we represent.

With that, I will yield back.

Mr. BRALEY of Iowa. Well, I think you've made some excellent points.

You know, one of the things that happens every day to every Member of Congress is we have constituents from our districts who come out and visit

us. Many times these constituents will say to me, "Congressman, what can we do to help you deal with this important issue that we have come here, all the way to Washington, D.C., to share with you?"

My answer is always the same: "By helping put a human face on the public policies we are setting, you give me the best arguments to make on why this policy is worthwhile."

I think you made a very good point when you talked about the fact that we have 25 members of our Populist Caucus now, and I think every one of us grew up in a middle class home, and every one of us has our own, unique life story that explains why these values are so important to us. I just want to share a story from my own family experience.

When I was 2 years old, my father was working at a grain elevator in my small Iowa town, Brooklyn—a small town of 1,500 people, a little farming community. There were four kids in my family at the time, and my mom had left her teaching career to raise a family. My father was taking a lid up to the top of this grain bin, and he was about 30-35 feet in the air when he fell and shattered his leg. It changed his life. He was fortunate there was a safety net in place to help take care of our family needs because, without it, we would not have survived as a family, but he had to completely change his career and do something else with his life.

Without affordable health care, people placed in that situation fall between the cracks. The statistics show us that more and more bankruptcies every year are due to the fact that middle class families can no longer afford to pay their medical bills or their insurance premiums.

Then, as a result of that injury, my mother ended up going back to school to get her 4-year teaching degree because she had had a 2-year teaching certificate. She drove 26,000 miles. Without that education she was able to get, she would not have been able to have been a valuable breadwinner for our family during that period of time.

When we were much younger, many of us worked from an early age to help pay for our college educations, and we had the benefit of very low interest, federally insured student loans and work study programs. We know, because this is based on pure economic theory and analysis, that the more educational opportunities you have, the higher your standard of living is going to be over your lifetime. There is a direct relationship. So all of these things that are up here are reflected in our own life histories and in the people whom we represent, and that is why they are so important to us.

So I am going to yield back to my friend from New York so he can talk a little bit about his life experiences, the people he represents and about some of these individual values that bring us here tonight.

Mr. ARCURI. Well, thank you for yielding.

There are a couple of points that I would like to make and just touch on. I think you touched upon health care, and I think health care is so important.

One of the things that the President talks about and what I think our budget will reflect—I even hesitate calling it a "budget" because I feel like it is more of a blueprint, again, as to the future of how we see the country moving forward over the next several years. One of the things about it is, for the first time, we actually have a budget. It is taking into consideration funding for health care for all Americans. I mean think about that—and I think you did. I certainly did when I ran for office the first time. One of the main reasons that I decided to run was the fact that I could not understand why there were 47 million Americans who did not have health care in this, the richest country in the world, one of only two industrialized countries that does not have any form of universal health care, and we do not have health care.

This proposal, this budget, will have in it for the first time—how shall I say?—a sketch, an outline, of how we will go forward and of how we will pay for health care for all Americans. That is critical. In contrast to what my colleagues said earlier, it is not about dictating to Americans what they need to do, what they have to do. It is about giving them the tools, about giving them access to quality, affordable health care just like the rest of the world has. One of the bills that I have been working on and that I hope to introduce in the near future deals with that, and that has a lot to do with where I'm from.

One of the things that I have found that people do not understand is, when someone's children go to a 4-year college or to a 2-year college, they generally are covered under their parents' health care. However, there is a gap, and there are millions of children who go to technical schools to get certifications who are not covered under their parents' plans. There is no coverage for health care. That is very unfortunate. I mean those are middle class families who have children who want to go, who maybe are not going to go to college to be engineers or who are not going to go to college to be teachers but who are going to go to college to get a very important degree, a very important certification in a technical trade. We need to do that. We need to promote that. That is a middle class value. That is something that we should be helping families do, not hindering it by not giving them insurance. That is one of the things that, I think, populists do. They ensure that all Americans have the ability not only to get health care but to improve their stations.

As my colleague from Ohio said, the ability to aspire to the middle class—to

make better of themselves, to do better for themselves than their parents were able to do—is what, I think, we as populists advocate and work for on behalf of the middle class. So I am really proud to be able to be a part of that.

I look back over what working people have accomplished in their lives, and I see it a lot in my district in Upstate New York—in the Mohawk Valley—in the Utica-Rome area and in Auburn. One of the things that I find most interesting is when looking at the productivity of our workers. I tour plants and facilities all over my district, as I know you do. What is the thing that you always hear from the people who own the plants? “The productivity of our workers is great.” The productivity of American workers has dramatically, dramatically increased over the past 20 years. Yet, in that 20-year period when the productivity has gone through the roof for American workers—in fact, they are one of the most productive workforces in the world—the real wages of that workforce have decreased. So we have individuals who are doing more for the people for whom they work, who actually are far more productive and who are allowing the people who own their factories and who own their small businesses to do better, to produce more, which is a good thing. However, they are not earning more than they earned 10 or 20 years ago.

You know, we sometimes hear people say, “Oh, the problem with the American people is that they charge too much.” Well, the fact of the matter is you don’t charge too much because you want to. When your son or your daughter comes home from school and says, “Mom and Dad, I need a new pair of sneakers. I’m trying out for basketball tomorrow, and my sneakers don’t fit me, and the coach says I need a new pair of sneakers,” if you don’t have the money, you go and you charge it because that is something you do as a parent, but if you’re making less than you made 10 years ago or 20 years ago, you don’t have that money. That’s the kind of thing that, I think, we stand for as populists, the kinds of things that we want to make sure of.

Hey, if the productivity of American workers goes up, then the salaries and the wages that American workers earn should go up as well. It is the fair thing. It is the right thing. It is the American thing. It is what has made America great. Those are things that, to me, are most important in our caucus, and they are the things that, I think, are most important for me as a populist.

Again, I am so pleased to be able to be here to talk about these issues and to bring them to the forefront and to let the American people know that there are many of us here in Congress who are working hard to see to it that the middle class prospers, continues to prosper and achieves all that they can possibly achieve.

Thank you. I yield back.

Mr. BRALEY of Iowa. Thank you, my friend.

Also, I just want to point out how the description you just provided us is a perfect example of why having good jobs is a core populist, middle class value. Think back to the way things were. Some of our friends in the preceding hour were talking about Franklin Delano Roosevelt and about how his policies drove us towards, as they described it, socialism. Think about it:

Before Franklin Delano Roosevelt, a college education was a rare thing for anyone in this country to have, and it was not until World War II when men and women from all over this country, but primarily from middle class families, met together and served their country with honor and distinction in the Pacific theater, in the European theater, in Africa, and in Asia. It was a great melting pot experience, introducing people from different regions, people who never thought they had anything in common but who learned they really did have a lot of common values. When they came home, we did something remarkable, an incredible populist piece of legislation. It was called the GI Bill.

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And we saw an explosion in admissions to colleges all across the country. And the GI Bill wasn’t just an educational bill, it was also a home-buying program, because low-interest loans were provided to veterans, and it exploded, the homeownership and the house building market in this country. It put people to work, it created something called suburbs, which now are a prevalent thing in every district in this country.

But those are examples of what we’re talking about here, which is how the Federal Government reflecting populist values can be a motivating factor in driving economic policy in a positive way that benefits all Americans.

And I want to come back and talk about some of these other issues.

Mr. ARCURI. Would the gentleman yield for just a minute?

Mr. BRALEY of Iowa. Absolutely.

Mr. ARCURI. I am glad you mentioned that, and I didn’t want to let the moment go by without commenting on it.

I consider myself a direct recipient of the GI Bill—of the World War II GI Bill because my dad was a poor kid from the east side of Utica who would never have had an opportunity to attend college, but he served his country in the military, came back, and he was able to go to Cornell University, and as a result of which, he insisted that—my sisters and myself—that we attend college.

So it isn’t just a single generation but multigenerational. It is really, as you say, probably the greatest populist piece of legislation that this country ever passed.

And I thank you for bringing that forward and for yielding to me.

Mr. BRALEY of Iowa. That is a perfect example of the human drama that every one of us has as part of our life experience that is a reflection of these values.

And now I want to introduce one of our other new Members of Congress, a rising star from the Old Dominion of Virginia, TOM PERRIELLO. And TOM is going to talk about some of the reasons that motivated him to join the Populist Caucus and some of these core values that are reflected in the people that he represents in Virginia.

And with that, I will yield to my friend from Virginia.

Mr. PERRIELLO. Thank you.

This is, indeed, a desperately needed caucus because we have not had enough of a voice from either party standing up for the middle class and these basic values.

I spent the weekend meeting with workers who had recently been laid off as another factory had closed down and gone overseas. These are people who worked for 20, 30 years at a time. I talk constantly, also, to people who have just recently gone through college, everything we’re supposed to be encouraging right now in our society in order to compete in this global economy, but they come out shackled with so much debt with the cost of college that they can’t serve their community in the way that they had hoped to, people that wanted to become teachers and come back to rural communities, like the ones in my district, but simply cannot afford to do it.

And we have gone from investing in a future middle class to crushing the current middle class because we started a cycle of debt. Instead of coming out of college with that opportunity in the world before you, you come out already in that kind of debt from college. And instead of those years that we used to spend saving money for a down payment to buy that first home, that next great step for middle class families, you spend those years, instead, spending all of your savings to get out of those loans. So by the time you go to purchase that home, you may have zero down on that house, and we all know how that story ends.

We aren’t giving people that opportunity to do the very things we need them to do: to save, to invest, to educate, to prepare themselves to compete in the global workforce. And the cycle of debt continues.

Then we have credit card companies and predatory lenders coming out so that people continue to try to eke by month by month living from debt cycle to debt cycle. This is the new story of yesterday’s middle class.

It is time, once again, to have the kind of values in this country that reward work and good behavior, reward the people who are saving and doing everything right to play by the rules instead of investing—instead of shifting our priorities too often away from the very people that are at the backbone of this country.

So I believe this is a much-needed effort to restore the middle class. And one great place to begin is by making college affordable. And I am proud that we have already put forward a \$2,500 tuition tax credit to help middle class families afford that dream. But we know that's not enough to go forward to make college affordable.

But it's also something that is helping our displaced workers be able to go back and maybe pick up a community college course, move into the health care sector or another field where they can earn a living wage to support their family. But they say to me, "That's a 2-year program. What am I going to do during those 2 years when I have just lost my job?"

We are not in an economy that reflects—we are not supporting policies that reflect the economy we now face. We no longer have an economy where people have one job for 30 years and that company takes care of them.

And last of all, I just want to mention, why is it that through this recent economic crisis our community banks have remained rock solid in most of our communities, good Main Street values, Main Street capitalism that has continued to make good loans to good people that still believe in the honesty of a handshake and looking somebody in the eye. This has remained solid while the speculators and others have played poker with our pension funds and our future. It's time to start getting support back to those people who are the bedrock of our community, Main Street and the middle class. And I look forward to working with you on that.

Mr. BRALEY of Iowa. I thank the gentleman for those important observations, and it brought to mind some of the issues that we have been talking about in our Populist Caucus meetings.

And one of the things that we frequently talk about is the whole issue of corporate accountability. And one of the things that has come to light in recent years is how corporations have gone away from an employment philosophy that many of us, when we entered the workforce, were very proud of. And that was there was a sense that if you come and work for a company, there will be job security. In fact, employers marketed this. When they tried to hire employees, they would show the number of long-term employees who had worked for them, and they said, "If you come and work for us, you're going to have these types of benefits. We will take care of you. When you complete your employment career with us, you're going to have a retirement savings build-up that's going to allow you to enjoy your life and be a proper reflection as a reward for the sacrifice you have made to help us and make us a profitable company."

And in the last 20 years, we have seen that whole concept of job security disappear from the workforce. And it is a rare employer now that rewards longevity and even promotes that concept.

And we see a lot of transfer among employment as people move from job to job. And if you ask most employers in the workforce, employees in the workforce today, what their understanding of their job security was, they would say there is none.

So one of the things that we've talked about tonight is how the policies that you implement are reflected in the values that American consumers have, that American homeowners have, that American employers have, and that's why one of the things we need to do a better job of in this Congress is acknowledging the people who do it right and who are responsible corporate citizens and use that as a motivation to get others to aspire to behave like them.

And a good example of that came out last week during our food safety hearings in the Energy and Commerce Committee. And we heard a lot about the peanut butter hazard coming out of the Georgia peanut butter plant. And one of the things that came out in those hearings is that some companies were using an independent inspection group that was giving them certifications that their product was not contaminated even though they had tests that showed it was contaminated.

I happened to be fortunate enough to have a company, Nestle Corporation, that has a plant in my district in Waverly, Iowa. And when Nestle was faced with that very same choice, they decided to send one of their own independent auditors there to give them the straight scoop on what was going on in that plant. And their auditor came back and said, "We should not be a part of this deal," and they refused to participate.

So one of the things we're trying to do by promoting these middle class values is get back to a point where people are responsible to each other, both as employees and employers, and to create that type of environment where they both benefit from the increased productivity that my friend from New York was talking about earlier.

And with that, I am going to yield back to my friend from New York, and I would like to talk a little bit about some of the things that we have been dealing with recently in terms of corporate accountability.

Obviously, the whole issue with AIG has been a paramount issue, but it's much deeper than just AIG and the way it conducted its affairs. It's part of this whole culture that we have seen on Wall Street that does not reflect the values on Main Street that most of us grew up with.

Mr. ARCURI. I thank the gentleman for yielding.

I would like to talk a little bit about the corporate accountability and also a little bit about consumer protection.

But first, with respect to corporate accountability, as you know, I am on the Rules Committee, and today we had a hearing with respect to the bill which I anticipate will be on the floor

tomorrow with respect to—and you and I discussed it a little bit earlier—with respect to putting limitations on the amount of compensation that executives can get for companies that receive TARP funding.

And I guess I look at it this way. And I listened to the argument and the debate today in detail. And, you know, there is a great deal of dissatisfaction with AIG, and certainly I can understand that. We all can understand that people are critical of what happened at AIG. I am. We all are. And I listen to my colleagues on the other side of the aisle, and I can understand that some of them are critical with the legislation that we will be considering tomorrow which puts limitations on compensations for executives.

The thing I can't understand is how people can be critical of both of those because if you are unhappy with what happened at AIG, then you really have to support the legislation, if you're a Member of Congress, that we're putting forward tomorrow because that legislation will enable Congress to help put the kind of limitations on and do the kind of oversight that we were all sent to Congress to do.

So I think that if there is dissatisfaction within this House with respect to AIG and what happened there, then we should support and we should vote for the bill that will be on the floor tomorrow because that does give Congress the ability to, again, do what Congress is supposed to do. And that is regulate.

You know, you look back at how it is that we have been and how we are put in this place that we are, and the common denominator, the answer that you keep getting is the lack of regulation.

And I tell the story this way. It was funny because when all of these things were happening with the stock market, with the banks, my daughter called me from home and she said—she plays soccer, and she was telling me about her soccer game, and as most children do, she was complaining about the referees. They lost the game, and she was blaming the referees.

And I listened to her, as most parents do, and it came to me—and I said goodnight to her, goodbye. And it came to me later on that night. And I said to her the next day, I said, "I know that you feel that you didn't get a fair shake from the referees, but can you imagine what that game would have been like if the referees were off the field?"

Well, that is what has happened over the past 10 years. We have taken the referees off the field. We have done away with the kind of regulation that is necessary. The SEC has fallen on its face and has not done the kinds of things—and we end up with scandals like the Madoff scandal. Those are the kinds of things that we need to put back in. We need to put the regulation back in.

People talk about regulation like it is a bad thing. They don't understand that that's exactly what people elect

us to Congress to do, and this is to ensure that the referees stay on the field and they keep an eye on things, and they keep the playing field level.

With that, I yield back.

Mr. BRALEY of Iowa. I think you have raised a very important point, and that is the populist values do not reflect that more regulation should be just burying people in red tape, because I don't know anybody on either side of the aisle who thinks that burying people in mindless paperwork and keeping people occupied processing paper is effective regulation. But there is a big difference between that and completely giving up the regulatory field, as we did with the credit default swaps when we had a chance to place them under some type of regulatory oversight in 2000 and failed to do it. And that led to a \$55-63 trillion problem that nobody can get a handle on now.

So we have learned some lessons, and part of our responsibility to the American public is to apply these values in effective, meaningful, minimal oversight that accomplishes the results that we want to see happen.

I want to yield now to my friend from Virginia because he was the one who had the brilliant idea to add this corporate accountability value to our Populus Caucus themes.

And I would like you to talk a little bit about why this is such an important value and how it reflects on the middle class and their ability to go ahead and to have a productive and meaningful life.

Mr. PERRIELLO. I thank the gentleman for yielding.

I want to pick up on the point that you just raised which is the idea that accountability is anti-Wall Street.

The money managers that I know are looking for certainty. One of the worst things we can say to the market is to introduce the uncertainty of not knowing what the rules are, because the fact is one of the middle class values you discussed is basic responsibility. When we reward responsibility, that is a good thing for the middle class. There were many, many investment firms and others on Wall Street who knew the mortgage-backed securities were out there who could have taken—had much better quarters in the short-term, but they chose not to engage in these very high-risk speculative investments.

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What we did instead was we have now bailed out some of the least responsible, most speculative agencies, and not rewarded the responsible ones, and we see the same things on Main Street.

And you talked about no extra paperwork. It is so important that we draw a distinction between our community banks, who have been responsible through all this, and the megabanks, who have been driving the problem, so that we don't respond by punishing the responsible actors in our community who have really held things together when we've been right on the brink of a depression.

Mr. BRALEY of Iowa. Just a personal observation, this is one of the things that drives me crazy about how our policy shifts back and forth, depending upon a boom or bust economy.

But I have a very clear memory of buying my second house. It was probably about 1992, and I had bought my first house in 1984. I had completely renovated it myself with my wife. We sold it for a small profit and moved to another neighborhood where we bought a house that was less expensive than the one we were selling, and this is right after the savings and loan debacle that led to a tightening of credit restrictions in the lending market.

I will never forget when I was applying for this loan, the bank officer said, you have to fill out an affidavit explaining to us why you're buying a home that's less expensive than the one you're selling. And I thought to myself, what is wrong with this picture? Because growing up in a small Iowa town, with parents who grew up in the Depression, I was always taught that you don't spend beyond your means; you're supposed to be out there trying to be good stewards of what you have and share it with other people. And yet you're having to justify making a responsible purchasing decision.

We've gone from that era to one where you're getting zero percent interest, no money down, take as much as you want, and I think one of the things we want to see is we want to come back to some commonsense lending values and commonsense purchasing values, and these values are a two-way street. Let's be honest. We want to promote responsible decision-making across the board, and that's why I think that your point was so on target.

And I yield back.

Mr. PERRIELLO. I would say Madoff wasn't the only one running a Ponzi scheme. In many of these lending institutions it was the same thing. When you start getting debt equity ratios of 10:1, 30:1, 100:1, that is not an accountable system. And we found people who are trying to find every loophole they can push through with huge amounts of capital to do high risk. And they want all the upsides during the good years, and then they don't want to have to face the downsides in a bad cycle.

Now, we're all in this together. The President's been very clear about that, and he's right to speak to that. But the fact is, part of how we're in this together is to make sure that those people who made horrible mistakes are held accountable.

I think we need to look seriously at issues of fraud, fraud in many of these institutions and elsewhere, and even continuing to see the way that some of the markets are fluctuating based on reporting in January and February versus March as we head to the end of the quarter.

We need to have basic accountability so that the average middle class investor has some guarantee that when they

are looking at the market they're getting accurate information; if they're being responsible enough to save and have a 401(k), that they're not going to see that disappear just because of Ponzi schemes being run on Wall Street.

And our job is to make sure that the common good is protected, and when we put basic rules in place, not paperwork, but basic rules of accountability that reflect these middle class values, then the market flourishes. We have entrepreneurship that is unmatched anywhere else in the world. We have capital in this country, and we have workers ready to work. We can and must still out-compete the rest of the world. We do that by creating a system that allows people to have a certainty to make those investments, to start that business, and we need to make sure that we are encouraging that kind of innovation.

I come from a part of the country that has been hit hard by global trade over recent years. We've been devastated as furniture factories, textile mills, and tobacco jobs have all gone overseas. We have an opportunity now to turn yesterday's tobacco area into tomorrow's green energy area, but part of how we do that is get private capital moving investing in these areas and creating the kind of small businesses and middle class jobs of the next generation. But we can only do that if we have a system of accountability in place that can give people the certainty that they need.

You talked about the importance of deferred gratification as a middle class value, not spending the money that you haven't yet saved. Well, we have instead seen a culture of instant gratification, whether it's the greed is good mentality that we've seen by some on Wall Street, to the get rich or die trying attitude that you see in hip-hop. This goes from pop culture to the elites and across the board.

What we need to do is get back to that idea of basic personal responsibility and rewarding responsibility, and that's an environment I think in which entrepreneurship and hard work will flourish.

Mr. BRALEY of Iowa. I want to thank you for making an important connection between a couple of the middle class values that we've been talking about all night, and that is, corporate accountability and how it affects fair trade. And one of the things that we know is that there are still some lingering so-called free trade agreements that have been negotiated by the Bush administration that are still on the table and are going to be considered in some way, shape or form in the future.

And one of the trade agreements that's still outstanding is President Bush's Panama Free Trade Agreement, and this is where we get into some of these values issues on corporate accountability because the GAO recently did a study identifying Panama as one

of eight countries, and the only current country and prospective trading partner, that was listed on all of the major tax haven watchdog lists. In fact, Panama has been a key target of the Organization for Economic Cooperation and Development for resisting international norms in combating tax evasion and money laundering.

And now to tie this all into one big bow, we've learned that AIG, arrogance, incompetence, greed, has sued the U.S. Government demanding more than \$306 million in taxes it paid, twice the amount of what it paid in the now infamous executive bonuses.

Here is what AIG is claiming. AIG is claiming it overpaid taxes related to the activities of its AIG-linked Panamanian corporation, Star International Company, which is chartered in the tax haven of Panama. And if President Bush's Panama Free Trade Agreement is ratified, AIG's largest shareholder, which is this derivative in Panama and other offshore companies, would have expansive new rights to challenge U.S. tax laws.

In fact, there are currently 350,000 foreign firms that are registered in Panama where there are zero to low regulations and taxing restrictions. So we know that, if this treaty is ratified, these policies will inhibit the ability to protect the American people, crack down on money laundering and tax cheating and shady financial deals.

So one of the things that we've learned is that there is linkage between the important concept of corporate accountability, fair trade policies, and I want to yield to my friend from New York to talk a little bit about how those issues combine and how they affect the people that he represents in upstate New York.

Mr. ARCURI. Well, first off, I would like to say thank you and commend my colleague from Virginia for his well-thought-out and very articulate presentation with respect to corporate accountability. We certainly can use that kind of passion here in Congress, and I thank you for that, what you said, and what you talked about.

You know, one of the things that I'd like to talk about just for a moment is something we haven't touched on yet tonight but is a very important part of the populist values, as articulated by you earlier, and that's with respect to consumer protection.

You and I took a trip down to the Port of Nogales last year to work with and get a firsthand view of some of the things we're seeing with respect to the border patrol. But one of the things we did see is the fact that the Port of Nogales is one of the largest ports for bringing fruits and vegetables into this country, many of which are from Mexico. And one of the things that I think is very important is that we need to ensure that the fruits, the vegetables, the food that we eat, the toys that our children play with are high quality. They need to be safe.

We put these strict standards on domestically produced food, on the kind

of fertilizers that our farmers can use, on the kind of pesticides they can use, to ensure that the food that they produce is safe. And yet, we have these free trade agreements and we have the ability of some other countries to bring products into our country that don't follow the same kind of protections and don't have the same kind of laws that we have here, which I think jeopardizes the quality of the food we get and certainly the products that we get.

So that's something that's so important to us, to the people that I represent back home and I think the people all through America.

So it's an important thing, and I know we're running out of time here, but I think it's something that we need to discuss more and we need to spend a great deal of time on here in Congress because there's nothing more important than keeping the food that we eat and the goods that our family uses as safe as possible.

Before I yield back, I would just like to say one last thing. You know, I want to quote another Roosevelt. I started off quoting Franklin Roosevelt. I want to finish by quoting Teddy Roosevelt, and he said, The welfare of each of us is dependent fundamentally upon the welfare of all of us. That sounds an awful lot like what President Obama is saying, that we're all in this together. We can't forget that whether you're a corporate executive or you're a worker on the line, what is good for the executive is good for the worker, and what is good for the worker is good for the executive.

We are all in this together, and as my colleague from Virginia said, it is important that we remember the things that we do affect each and every American, regardless of where you are or where you work.

So, with that, I would again like to thank my friend for organizing this today.

Mr. BRALEY of Iowa. I thank you, and before I yield to my friend from Virginia for a closing comment, I just want to point out that the Populist Caucus is not anti-trade. We are not protectionist, but we want American companies and American employees and American consumers to be on a level playing field with their competitors. And when you have trade agreements that don't have the same level of commitment to enforceability, then you don't have a level playing field, and that's why fair trade agreements are important to protect all interests in the United States.

And with that, I want to yield back to my young friend from Virginia for some closing comments and want to thank him for the important contributions and voice he has added to our caucus.

Mr. PERRIELLO. Thank you for yielding. I just want to take a moment on this issue of trade.

I think there's an attitude among the elites and among the mainstream media that assumes anything other

than blind, free trade is somehow idiotic, and there's a concern that this populism is about mob rule. Well, populist values aren't about pitchforks. They're about pragmatic results.

And I think for every model someone can show me on free trade, I can show you reality and empirics. This is not about a theory cooked up in academia about trade. It's about the reality of how the tiger economies and others have competed. It has not been some blind march to trade liberalization. It has been smart, strategic decisions by each of those countries to play to their comparative advantages.

I think that we have been negotiating from a position of weakness in these trade deals instead of negotiating from strength, and I think it's cost the middle class and the working class jobs. I think sometimes there's an incredibly naive attitude by those who would look down their noses at those who would engage in middle class and populist values, when in fact I think the empirics are on our side.

So I think what's important in this, again, is not that we pick up the pitchforks but that we produce results. I think what we're about is looking at pragmatic solutions that take back some of the raw deals that the middle class has gotten for the last 20 years, particularly the last few years, and starts to stand up for those middle-class families and working class families who are getting up every morning and working hard and playing by the rules and suddenly being asked to bear the brunt of everyone else's mistakes.

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THE SANCTITY OF HUMAN LIFE

The SPEAKER pro tempore (Mr. KRATOVIL). Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Mr. Speaker, I appreciate the privilege to be recognized here tonight. Before my colleagues leave the floor, I hope they can hear a little bit of an alternative viewpoint, that being that this news flash, for especially my colleague from Iowa, corporations don't pay taxes, Mr. Speaker. Corporations collect those taxes from end users, consumers, retail people, and then they aggregate the taxes from the consumers and they pass them on to the Federal Government or State government or whatever the tax collecting body might be.

For that reason, no matter what the circumstances are, we are not going to be able to chase these corporations. We're not going to be able to chase these corporations around the world and collect that taxes from them because they will always find another way to pay taxes or, of course, the obligation they have it to pass it onto the consumer.

This is a fundamental principle when it comes to holding this economy together and how we're going to build the