

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

AIG/PANAMA FTA

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

Mr. MICHAUD. Mr. Speaker, I am here this afternoon to strongly oppose the Bush-negotiated Panama Free Trade Agreement. We should not even be considering this agreement until Panama fixes its outrageous banking secrecy, its offshore tax haven, and financial service deregulation policies.

Just when we thought we heard almost everything that there is to know about AIG's bailout and bonuses, many of you may not know AIG is suing United States taxpayers, claiming it overpaid U.S. taxes on activities in Panama.

Panama is a country which applies low to no regulations and taxes on firms registered there. AIG wants to get back those taxes it dodged with its Panamanian front.

Panama hides its tax liabilities and transactions behind banking secrecy rules. The United States and other firms can create unregulated subsidiaries with ease in Panama. According to the State Department, Panama has over 350,000 foreign-registered companies. AIG is very keen on tax havens like Panama.

The New York Times just ran an article about how AIG is currently suing the United States Government for over \$306 million in back taxes it claims it does not owe because of the Panamanian company entitled Starr International Company, otherwise known as SICO.

SICO is AIG's largest shareholder. It is also the manager of a compensation fund for AIG employees who are paid in AIG shares. SICO's chairman is former AIG Chairman Hank Greenberg. The same company that got the government bailout money and used taxpayer dollars for outrageous bonuses is now demanding twice the amount of bonuses in paid back taxes.

If you aren't already angry about the greed of AIG executives, the fact that they are using Panama's tax haven status as a way to sue the American taxpayers for back taxes is completely outrageous. The Bush-negotiated Panama Free Trade Agreement would make matters worse. It promotes the offshoring of investment by providing special treatment for firms who are in Panama.

At a time of severe economic downturn and when the government is asking the United States taxpayers to foot the bill for Wall Street's mess, the last

thing we need to do is pass a trade deal negotiated by the Bush administration that promotes offshoring, tax dodging, and privileges for foreign investors.

This is simply outrageous. As elected officials of the people here in the United States, we ought to have transparency in what is going on; and that transparency has not been there, whether it is the bailout legislation or whether it is looking at the Panama trade negotiated under the Bush administration which will be a tax haven for companies who are registered in Panama.

I urge my colleagues to vote against any Panama trade deal that has been negotiated by the previous administration. It's wrong. It's outrageous, and it is not the right thing to do.

□ 1600

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

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

PANAMA FREE TRADE AGREEMENT

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

Mr. JONES. Madam Speaker, I rise with sadness at the news that this administration intends to follow the broken trade agenda of the previous administration by pushing Congress to approve the United States-Panamanian Free Trade Agreement.

How many American jobs must be lost, how many businesses must be closed, how many towns across this Nation must be hollowed out before the government realizes that our trade policy is broken? We have had 15 years of the NAFTA-based trade model on which the Panamanian agreement is based, and the results are in: we now have a \$127 billion annual trade deficit with Mexico and the other 15 nations with which we have free trade agreements. Since the passage of NAFTA, the United States has lost 4.5 million manufacturing jobs, over 364,000 in my home State of North Carolina alone.

We are in the worst recession since the Great Depression. Unemployment is rising and it may soon be over 10 percent. The last thing this country needs is another free trade agreement that will cause more good-paying American jobs to be outsourced.

Most of us would agree that America will not recover until we reduce our reliance on imports and produce more of what we consume right here at home. The insanity of this agreement is that it will do just the opposite. In fact, this agreement actually obligates U.S. taxpayers to fund a New Committee on Trade Capacity building, one of the pri-

mary goals of which, according to CRS, is to help Panamanian businesses in "increasing exports to the United States."

Well, isn't that nice? At a time when this government is running a \$2 trillion annual deficit, this agreement will use U.S. taxpayers' money not to help U.S. companies but to help Panamanian companies take market share and jobs from domestic employers.

One last point, Madam Speaker. President Obama campaigned on and, in my opinion, carried several States because of his pledge to stop the incentives for companies to outsource jobs and dodge U.S. taxation by moving operations offshore to tax-haven jurisdictions like Panama. Unfortunately, this trade agreement would tear that pledge to pieces.

The reality is that Panama is known internationally as one of the leading tax havens in the world. Corporations from the United States and around the globe set up shop in Panama in order to dodge taxes in their home countries. Sadly, this agreement does nothing to stop that activity.

Madam Speaker, this agreement is bad for America, especially at this perilous economic time for our Nation, and I would encourage the administration to rethink its position before it asks Congress to approve it.

And with that, Madam Speaker, before I close, with our men and women fighting in Afghanistan and Iraq, I ask God to please bless our men and women in uniform, and I ask God three times, God please, God please, God please continue to bless America.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman 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 IMPORTANCE OF FAIR TRADE POLICY

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

Mr. TONKO. Madam Speaker, these undoubtedly are tough economic times, not only for our country but for many across the world. So as we recognize that we co-exist in this global community, it is important for us to go forward thoughtfully and fairly with a sense of justice as we approach the issues of trade, making certain that there be this balance, that there be this fairness in the trade options that are available to this Nation and others, and that we move forward in a way that most progressively responds to the needs of this global community in which we share our opportunities.

I grew up in and now represent New York's 21st Congressional District,

which was once home to dozens of thriving mill towns. Now if you drive across that district, my district, from Troy to Cohoes, to Schenectady, to Amsterdam, to Gloversville, you can see the glaring hole that the loss of industry has created. This is a story that resonates all too frequently throughout the United States, from New England to the Midwest, and now even into the South.

My hometown of Amsterdam, New York, was once home to thriving carpet mills that employed thousands of workers. Decades ago General Electric employed more than 40,000 workers in Schenectady, and American Locomotive employed 12,000-plus. But for a few thousand GE employees, manufacturing in Schenectady has disappeared. The glove-making industry once employed 80 percent of the residents of Gloversville, New York, and that industry has also almost completely disappeared.

The decline of manufacturing in Upstate New York occurred before the free trade agreements that were negotiated in the 1990s. But since those agreements have been signed, the decline of manufacturing has accelerated dramatically.

Trade policy, when done right, can benefit countries around the world. My objection, Madam Speaker, is that our current trade agreements place a disproportionate burden on American workers and leave our United States at a significant competitive disadvantage compared to the rest of the world. By negotiating trade agreements that do not have adequate labor standards or environmental provisions, we simply export pollution and poor working standards to other nations. It is indeed hard for a glove-manufacturing company based in my congressional district to compete with another manufacturer located in one of the so-called "free trade zones" in Central America, for instance, where employees make cents on the dollar, are offered no benefits, and work in factories that do not have those safety provisions so guaranteed for our American workers.

By inserting basic labor standards into our trade agreements that address worker pay, worker safety, worker benefits, and the length of that workday, American workers will be more competitive. In addition, by strengthening labor provisions in our trade agreements, we can help guarantee that better standard of living for workers in the countries with which we are trading.

Environmental standards are often another significant area that have not been sufficiently addressed by NAFTA, and this oversight is continuing under these NAFTA-like trade agreements coming before us. In the 1970s we collectively agreed that preserving the environment is essential, is necessary to our health and our way of life. The legislation that came out of that period helped to preserve our air and our water by limiting the pollutants that

companies could emit into the environment, our environment. By agreeing to free trade agreements that do not include similar provisions to protect the environment, we not only make American manufacturers less competitive, but we export our pollution to developing countries.

Again, the solution to this problem is simple: by including environmental provisions into our trade agreements, we can even the playing field for American workers and reduce the environmental impact of manufacturing in other countries.

I honestly believe that trade can help the American economy. It can help our manufacturers and can help our workers. However, this trade has got to be done right. We cannot keep agreeing to those lopsided trade agreements that leave American workers without jobs because American companies cannot compete with firms located overseas that can pay their workers sweatshop wages and operate in ways that devastate our shared, our shared, environment.

When this body is asked to consider the past administration's NAFTA-style trade agreements in the coming months, I will be forced to add my voice to the millions of American workers who have had enough: enough of exporting American jobs overseas, enough of competing with workers that pay cents on the dollar. And the American people have had enough of free trade and demand a trade model, a fair trade model, that will help our economy recover.

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.)

RIGHT-WING EXTREMISTS

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

Mr. CONAWAY. Madam Speaker, recently at a town hall meeting, Dottie from Andrews, Texas, and I won't give her last name, came to me and said that she did not attend a TEA party in the area because she was afraid that the Department of Homeland Security would have agents there taking down names and taking pictures.

Well, Madam Speaker, I rise today to reassure my constituent Dottie from Andrews that while Secretary Napolitano may be guilty of bad judgment bordering on negligence, she does not really consider her to be a domestic terrorist, nor do I believe the Secretary has unleashed the multitude of resources, assets, tools, and weapons of the Department of Homeland Security against her or me.

Dottie, like many individuals across my district and throughout the Nation, was at first surprised and then angered to learn that the Department of Homeland Security's new definition of a right-wing terrorist sounded a lot like her. To quote the recently released Homeland Security memo: "Many right-wing extremists are antagonistic toward the new Presidential administration and its perceived stance on a range of issues, including immigration and citizenship, the expansion of social programs to minorities, and restrictions on firearms ownership and use."

In a ham-handed fashion, the memo further defines the Department's view of right-wing extremists to include the great many Americans who believe that gun owners have constitutional rights protected by the second amendment, that our national values are not something to be bartered with for international agreements, that the immigration policy in our Nation is a failure, and that we are mortgaging the future to fund today's spending spree that we can never repay.

It then goes on to single out returning war veterans as individuals who warrant special government attention because they are especially susceptible to these extreme views.

If these are the positions of extremists, Madam Speaker, then I am an extremist. I am extreme in my belief that our Constitution protects law-abiding citizens from being treated like criminals. I am extreme in my belief that our Nation's sovereignty and values are not up for negotiation or debate with international thugs and 21st-century socialists. I am extreme in my belief that the Federal Government is failing the American people every day that we don't control our borders. I am extreme in my belief that we are running unsustainable deficits and selling future generations of Americans into indentured servitude in order to score political points today. And I am extreme in my belief that our veterans deserve our humble gratitude and prayers, not police scrutiny.

Secretary Napolitano's crass misunderstanding of the concerns of conservative Americans is not only embarrassing, but it detracts from her Department's ability to protect America. Her report is riddled with anecdotal evidence and pointlessly broad generalizations. It is a "well, duh" listing of long-established facts about racist organizations, anti-government militias, and other fringe radicals.

Any memo that relates the members of these fringe organizations with individuals who hold conservative political beliefs will serve only to confuse law enforcement personnel and alarm the public. Where there are public safety concerns, these should be communicated in a precise and meaningful manner; otherwise, the administration should stop antagonizing and profiling its innocent citizens.

In its rush to placate The New York Times editorial board and MoveOn.org,