

Commissioner; his wife, Christy; their sons, Landon, Caleb, and Joel; and his sisters, Ann Senetar and Kim Sumner.

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

(Mr. DEFAZIO 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 Florida (Ms. ROSLEHTINEN) is recognized for 5 minutes.

(Ms. ROSLEHTINEN 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 gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

(Ms. KAPTUR 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 Rhode Island (Mr. KENNEDY) is recognized for 5 minutes.

(Mr. KENNEDY 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 New York (Ms. VELÁZQUEZ) is recognized for 5 minutes.

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

#### MAKE IT IN AMERICA

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

Mr. GARAMENDI. Mr. Speaker, I will engage in a colloquy here, with the permission of the Chair, with my colleagues to discuss an extremely important issue for America—that is, manufacturing. If America is going to make it, we're going to have to make it in America.

But before I go into the subject of how we can restart and rebuild the American manufacturing sector and make it in America, I'd like to do a little review of history first.

Years and years ago, I played football at the University of California. And it's football season, and my friends have often accused me of using football analogies, and, well, it happens to be true. So, okay, it's football season.

Let's consider for a moment that it's not football that we're dealing with but, rather, it's the economy. And if we were to consider the first quarter, we

would have to look at the George W. Bush and the Republican first quarter. What happened?

Beginning in 2007, we began to see the extraordinary crash of the American economy. It just bled jobs. Eight million jobs were lost, peaking in December of 2008, just before the onset of the Obama administration. Nearly 800,000 jobs were lost that month alone, totaling 8 million during that period of time. So you see this incredible decline in the American job market, and this is just the private employment sector. This was replicated in the public sector also.

So that was the first quarter. How did it happen? Why did it happen?

Well, crazy tax policy for starts. Tax policies that gave extraordinary breaks to the very wealthy; modest breaks to the middle class; two wars that were not paid for, the money was borrowed; the Medicare drug benefit, not paid for, creating an enormous deficit and the regulators stepped back. The period of no regulation occurred during that first quarter. Wall Street went crazy. It collateralized debt obligations. The meltdown of the housing industry, subprime loans. All of those things led to this extraordinary decline.

In January of 2009, President Obama came in and we began the second quarter. Tough situation going into that second quarter, but we began to see immediate action taken. The Wall Street stabilization programs went into effect, and the way in which that was administered began to stabilize Wall Street. We had the stimulus program, the American Recovery and Reinvestment Act. It went into effect. And we saw numerous other pieces of legislation go into effect during the Obama second quarter.

I'm going to go through some of these very, very quickly.

The stimulus program, 3 million jobs as a direct result of that since it went into effect in February of 2009.

We saw also the Worker, Homeownership, and Business Assistance Act dealing with the foreclosures, trying to keep people in their homes and to provide tax relief for small businesses.

We saw the Student Aid and Financial Responsibility Act, the biggest effort since the GI Bill in the 1940s and 1950s, to give people an opportunity to get job training and to get new skills when they got back into the job market.

Cash for Clunkers, stabilizing the automobile industry.

And we also saw the American Government stepping in to save two great icons of the American industry and the hundreds, in fact, thousands of small businesses that depended upon the auto industry with the bailout of General Motors and Chrysler—to good effect. We were able to maintain those small business jobs that were directly impacted there.

We also saw the Credit Cardholders' Bill of Rights. How many of us have reached into our pockets for our credit

cards and we go, "I just know those banks are going to screw me one more time." But no more, because we passed the Credit Cardholders' Bill of Rights.

Other legislation is now pending. All of those are laws.

And one that passed just 3 weeks ago, which was the teachers and the medical legislation, that went into effect fully paid for; 160,000 teachers across the United States will stay in the classrooms providing that education that our students need, and paid for by ending an extraordinarily bad piece of policy that's been in effect for many years that gave a tax break to American corporations that off-shored American jobs.

So what do you mean? Do you mean to tell me that American corporations were able to get a tax break every time they sent a job offshore? Yes. That's exactly what is over today as a result of action taken.

On every one of these bills, every single effort made by this Congress to bring jobs back, to stabilize the economy, we found virtually no Republican support. In the stimulus, none at all. In the credit card, only a handful of Republicans. Republican opposition was uniform for every single effort made by this House, by the Democrats.

The result of our work without Republican support has been a steady improvement, so that for the last 8 months we have seen private sector jobs actually increase—not as much as we need, not as much as we want, but we have seen a clear differentiation between the first quarter with the Bush debacle and the rebuilding of the American economy in the second quarter.

Where are we today? We're at halftime. We're in the locker room here in Washington, D.C. We're in Congress. We're working to complete our plan for the second half—the resurgence and the rebuilding of the American economy. And in this half, we have a series of bills that we put forward—some already law; others that will go into effect in the months ahead—hopefully passed. We'd love to have the support of our Republican colleagues, but, as in this moment, their seats are empty. But when they're filled, they still vote "no" on every effort to rebuild the American economy.

So it's halftime. The question for the American public is: Which team's going to go back on the field for the second half, for 2011 and 2012? Which team's going back on the field? The team that brought us this great debacle, the great crash of the American economy, or the team that has slowly, but every month, brought progress back to the American economy? We're talking now about making it in America.

Joining me today for this discussion is my colleague from the great State of Wisconsin, Dr. KAGEN, an extraordinary individual, an entrepreneur in his own right, who is going to talk about some of the efforts that he's

made and some of the issues that face his district in making it in America and the things that we need to do.

Dr. KAGEN from Wisconsin.

□ 1740

Mr. KAGEN. Absolutely. Well, thank you very much for yielding, and thank you for organizing this hour, where we can begin to have a conversation, a very constructive conversation with the American people across the country about making it in America. And you know, manufacturing does matter. And making it in America really is important. And just maybe, perhaps we should change the slogan from "Make It In America" and add on, "not China."

Because where I live people say, "Hey, Doc, we have got to get our jobs back from China. We want our money back from Wall Street and our jobs back from China." And one of my constituents, who is nearly 80 years old, sent me this note asking really the question about whose side are we on? You mention it's a ball game, a football game. Could be peewee, could be little league, could be NFL. Look, we're all on the same team. We're all in the same boat, the same canoe. And amazing things will happen when we begin to paddle in the same direction. We got to work together to get through the most difficult economic time of our generation.

Elaine from Peshtigo wrote me this note: "I am soon an 80-year old woman and a widow. My husband and I farmed, and we certainly had hard times the first years. But the years now are harder for old people. Oil companies take a huge profit. The CEOs make a salary no man on earth is worth. Pill companies are taking huge profits with no consideration for old people. The people of my generation lived through the Depression, World War II, and two more wars. And now in our old age we face other obstacles."

Well, Elaine, we are working hard to rebuild our economy. We are working hard to generate the jobs we need to work our way back into prosperity. One way that we've done it is to pass an essential bill on health care legislation. We now have a new health care law that guarantees that, Elaine, the doughnut hole is going to be closed over a period of time. We're beginning to close it by \$250 straight away. We've made Medicare stronger and better. How did we do that? By making sure that you have preventative services at no additional copay and no deductible. So this is coming your way.

It's a new American freedom, a new day in America, when no longer will any family have the fear of going broke and losing their home just because of an accident or just because someone gets sick.

But we didn't just act for Elaine and every other family in America to guarantee them access to health care; we lowered their taxes. Now, the quote here says, "Tax bills in 2009 at lowest

level since 1950," from USA Today. We've lowered taxes for the people who need it the most, the middle class. This is not my point of view, this is the point of view of the former domestic policy adviser to President Reagan and Treasury Department economist to President George Herbert Walker Bush. This was a statement that he made, Mr. Bruce Bartlett. Federal taxes are very considerably lower by every measure since Obama became President. The \$787 billion stimulus bill, enacted with no Republican support, reduced Federal taxes by almost \$100 billion in 2009 and \$222 billion in 2010.

Mr. GARAMENDI. Excuse me, if you might yield for a moment, Dr. KAGEN. The stimulus bill was actually a tax cut bill?

Mr. KAGEN. It was the biggest tax cut in American history. We were in such a decline economically, no one felt it. We did it the economical way. We didn't mail people a check. We made sure they got the tax cut on the other end. It was more economical. So never before has such a tax cut been enacted. And it was the Democrats, without the Republicans' support, that guaranteed middle class families would pay less in taxes.

Mr. GARAMENDI. If I might, you and I were talking earlier about a program that you have been doing in your district for the last couple of weeks, and you have been going to communities. And along the way you've reached out and said we need to make it in America. And you were talking about the paper industry. I suppose you have a paper industry in your district?

Mr. KAGEN. I live in Paper Valley. We didn't invent the manufacturing of paper, but we perfected the science and technology. Kimberly-Clark, you have heard of it. You have heard of Kleenex. Let me put in a plug for them. We've got Procter & Gamble. We've got Puffs. Everything in the tissue world and the paper world is in Appleton and Green Bay and the chain of Fox Cities in-between.

And one of those manufacturers, Appleton Coated Paper, tomorrow has a case before the International Trade Commission. And I brought with me a picture of a family. This is the Swanningson family. This is Tony, his wife Sherry, Corey, and Kayla. And they live in Kaukauna on highway ZZ. What are they doing? Well, he works at Appleton Coated Paper. And they have a problem because China has been competing illegally by dumping their paper products into our domestic United States marketplace below our cost of production.

Now, I know you're thinking how does that happen? But before I get there, let me read you the handwritten note that Mr. Swanningson sent to me. "Congressman Steve Kagen, I have been employed in the paper industry for 18 years. I am grateful for the ability to provide for my family that the industry has provided. The dumping of foreign paper into the United States

from companies that are subsidized by their own governments creates a marketplace that seriously threatens my family and countless other families throughout the United States. The ability to sell paper at a price that is less than the cost to produce it places our companies and families at a severe disadvantage. I have been able to maintain employment through four layoffs due to the mill sales and paper machine shutdowns. But the dumping of paper in the United States market is a challenge that me and my fellow union brothers and sisters throughout the United States cannot survive."

You see, what China's been doing—and I have a case against China. They didn't just manipulate their currency, they don't have any environmental protection. They don't have a social safety net. They don't have an Occupational Safety and Health Administration. They don't have OSHA. They don't have an EPA. They have sacrificed their environment for their economic development. And they don't yet have a middle class.

Now, I have nothing against another Nation seeking to lift its people up out of poverty and create a middle class. But they shouldn't do it at our expense. We shouldn't have to sacrifice our middle class solely to build up theirs. It's unfair.

Mr. RYAN of Ohio. If the gentleman will yield on that point, one of the issues we've talked about today and have been for a long time is the issue of Chinese currency manipulation by the Chinese Government. And we do not have to have growth in the United States at the expense of growth in China. If the Chinese would allow their currency to float, it would actually be worth more. So the Chinese consumer would be able to have more buying power for American goods that would be shipped over there, for other companies who are selling within China.

There is just a small group of people within China, who own primarily state-owned businesses, who like the currency low, artificially reduced so that they can ship products to the United States cheaper and subsidized to put American workers out of business. So what we're saying when we say make it in America and manufacture again, can actually help lift up a lot of these folks in countries like China if we play by the rules.

Mr. KAGEN. Would the gentleman yield?

Mr. RYAN of Ohio. Be happy to yield.

Mr. GARAMENDI. Excuse me for a moment, gentlemen, but part of our agenda as Democrats then is to make sure that we have fair trade, that we have a fair balance between our Nation, our manufacturers, and those in other countries who may be—not may be, but are—subsidizing their exports, such as China and the currency thing.

Dr. KAGEN? And this is a colloquy, so we will go back and forth here. So please.

Mr. KAGEN. I am getting a little excited because China has been caught

cheating. They don't just manipulate their currency. They provide free energy, they provide no taxation, they provide cheap labor at 82 cents an hour. They have been buying raw materials for nothing, giving it to a company, and then they load it up on a boat and float it outside of Oakland and dump it into our Nation, into our domestic market below our cost of production.

□ 1750

Let me just put it very succinctly. They have targeted everything we make for extinction. It's not just paper. It's high-tech technology; it's automobiles; it's steel; it's textiles.

We have to restore our manufacturing base, yes, in part, by compelling other nations to stop cheating, by not manipulating their currency, by playing fair. One way to play fair is to instead of stealing our jobs, why don't you take our values. Take our values about clean air and clean water, because they are polluting the air that we are breathing.

It's not that far away. If a tall man and an allergist—and I say this—if a tall man in China sneezes, you are going to get it in the back of your head. It's going to come over here.

We have studies that scientifically show that the great dust storm they had in China dropped that dust over on our west coast. We are all here in the same boat. So, yes, we have to push back, not just for fair trade, but for balanced trade, in order for our companies to compete.

I will just relate one story, one educational experience in, I believe it was in February of 2007, just after I was sent here. I had the opportunity with my class of 2006 to sit down with eight CEOs of major manufacturing companies, the high-tech companies, HP, IBM, Dell and the like.

I asked them, what's your biggest component of your overhead, and each one of them said people, people, people, people. I said, well, that would explain why you are taking our jobs over to India and China because you can hire them for less.

And right across from me was Michael Dell and he said, Congressman KAGEN, I am competing with these guys. I have to chase the lowest cost of production around the world or I am out of business, and I have to, after all, represent my people, which are my stockholders.

So we have to make things in America. Manufacturing does matter, but we need a level playing field.

Mr. GARAMENDI. Let's continue on. I notice that another colleague has joined us from the great State of New York, but let me turn back to our colleague that was raising the point about the Chinese currency.

Mr. RYAN of Ohio. Yes. Well, I would say that if it's balanced, and I think all of the workers and the business people in America would say this, if China is not manipulating their currency, if there was some balance with human

rights and worker rights and the environment and those kinds of things, we would compete with anybody. But what we have now under the current trading system, with China blatantly manipulating our currency, we had almost everybody at this hearing today acknowledging that China is cheating on their currency, Democrats and Republicans. But we had a lot of Republicans on the other side saying, we just don't think this is the approach.

And it gets back to these multinational corporations that have a stranglehold on a lot of the politics going on here in the United States capital. But we need to bring this bill to the floor of the House of Representatives, and we need to pass it, and we need to take on the Chinese.

We are not going to have a country left in a decade or so if we are not making things. You get the spinoff. You get the technology. You get the patents. You get five, six, seven, eight spinoff jobs for every one job. You are actually making something and moving it to you and you improve it and add value and you pass it along and add value. And then it's assembled; then it's trucked. There is the spinoff that we get with manufacturing. That's how we are going to resuscitate the middle class.

My fear is that as we have lost manufacturing, and if you chart it—you can see it decline from 39 percent in post-World War II down to under 10 percent—you could see the decline. My fear is that as we move into the development of solar panels, as we move into the development of windmills, that's exactly it.

As we develop the green technology and all of the component parts, you will begin to see China taking the lead on green manufacturing, and we can't see that ground because that is the future. As much as our friends on the other side of the aisle want to bury their head in the sand and hope this goes away, that's not the world we live in.

So we need to take a firm approach with China, respect them, but make sure they play by the rules. We have got to play by the rules. Everyone else has got to play by the rules.

I will use one example real briefly. We had a steel company, Oil Country Tubular Products for oil and gas. The steelworkers, the trade groups, the local businesses, all went around, petitioned the International Trade Commission, got approval. The President was kind enough to put on a tariff for these Oil Country Tubular goods coming in. They end up investing \$650 million in a factory in Youngstown, Ohio, 400 construction jobs, 350 permanent jobs, the spinoff, the whole 9 yards because our government enforced the rules and leveled the playing field. That's what we are saying about currency, tires, paper, textiles, right down the line.

Mr. GARAMENDI. Let me take a moment here and bring it back to some-

thing you were talking about. You mentioned the wind turbines and the solar systems. We developed the technology here in the United States, and, in fact, the stimulus bill that provided the largest increase ever in research is going to once again put the United States in a position where we can dominate these green industries.

That research is there. Incidentally, not one Republican voted for that enormous research program and tax cut and jobs program and infrastructure program. Not one Republican voted for the program that created 3 million jobs.

But there is something going on here that we need to pay attention to, and this is a piece of legislation that I have introduced. We are spending billions of dollars to promote the wind industry, the solar industry. These are tax credits that we give to companies for a production tax credit or for someone that's putting a solar cell on their house.

We need to make sure that that tax money is spent on American-made wind turbines and American-made solar panels, biofuels, and other kinds of green technologies. If it's our tax money, then Buy America. Buy American.

A little later here, I suspect, I want one of our colleagues, MARCY KAPTUR, to come and talk to us about a bill that passed out of this House just hours ago that would require that you and I, not just talk the talk, but that we walk the walk and that in the equipment that we purchase for our offices, it be made in America, once again, American tax money used to buy American-made products.

It's a piece of legislation I have introduced. I like it. I like it because it's going to create in my industry wind turbines that are actually going to not only be on the hills but actually made in America.

Enough for me for a few minutes. I notice my colleague from New York, Mr. PAUL TONKO, has joined us. You have been at this a long time. You were in one of the original manufacturing sectors of America. Please tell us.

Mr. TONKO. Thank you, Representative GARAMENDI, for bringing us together. You are right, I do represent the area that houses the Erie Canal bed that was the main route to the westward movement, and it's a necklace of communities called mill towns that were the centers of invention and innovation. That pioneer spirit still exists, I am convinced, in America.

During our recent work-period break, where we all went back to our districts and had a 6-week stretch to connect to our constituents, I did Tuesday tours. The Tuesday tours were about manufacturing, making it in America, and where we need to invest and where the success stories might rest.

It's amazing to see the stories that were impacted by the Recovery Act, work done by water efficiency, energy efficiency, the MEP program, the Manufacturing Extension Partnership,

which, by the way, the previous administration wanted to zero out.

I went to a group called X-Ray Optical. Because of MEP programming and SBIR, Small Business Innovation Research, monies, this group is employing people they never dropped during the recession. They were a steady pulse, and they are exporting.

Just when we want to say we are not exporting and, oh, the die is cast and, oh, woe is us, we lost our manufacturing sector, we lost a third of our manufacturing jobs over the last decade thanks to the weakened policy on manufacturing. But we still have enough jobs that places us on the top of that manufacturing list globally, but we can't afford that present trend which would see us losing more manufacturing jobs.

We have turned that around. Those one-third of manufacturing jobs lost in the last decade equates to 4.6 million jobs lost.

But now, with the Recovery Act, with a new focus on manufacturing, I think there is a stronger sense that we can move forward and proclaim accurately that we want to make it in America.

Representative GARAMENDI, let me just tell you that at X-Ray Optical they are exporting to Asia and to Europe. They are dealing with testing for toxins. They manufacture equipment that is the testing product for toxins in toys, in fuel and a number of items where they can save manufacturers in another realm a lot of money in the up-front part of their process.

□ 1800

And again, it's a high-tech operation where they had the investment and the partnership with the Federal Government so that we can do it smarter, not necessarily cheaper. We can do it smarter, and then we are competitive at the global marketplace.

Another venture was a state-of-the-art operation within the baby food industry. In my district, we have a new facility that qualifies for a silver status LEED building, a green building that has water efficiency and energy efficiency as a major aspect of the work they are doing, saving them cost of production and allowing them to stretch again that opportunity to translate it into jobs. Now, that was a government partnership to provide for water and energy efficiency, another sort of assistance we can provide manufacturing.

And then a third visit, if I might just share this one with you, was an outcome of the ARPA-E grant money that came with Recovery Act money. Now, get a load of this. Before I came to Congress, there was an opportunity for us to really do the ARPA-E program beyond just rhetoric, but the Bush Presidency just proclaimed we are going to have an ARPA-E program with never ever funding it. And finally, we had \$800 million appear from the Recovery Act that went to the actual implementation of ARPA-E.

DARPA, the Defense-related advanced research project opportunities, created situations like Internet for the Defense system and stealth bombers. We took that success that goes back to the NASA days and now overlaid that into the energy thinking, into the energy realm.

And so ARPA-E, with its research project initiatives, is enabling this industry, SuperPower in Schenectady, another tour location, to advance superconductive cable and also storage for intermittent power.

Mr. GARAMENDI. Before you go to the next one, could you share with us where the ARPA-E money came into the system?

Mr. TONKO. Sure. It came right from the Recovery Act.

Mr. GARAMENDI. Most people don't know what the Recovery Act is. They think of the stimulus program. They are one and the same, the stimulus program and the Recovery Act.

Mr. TONKO. It is exactly the same thing. The majority in this House supported the Recovery Act.

Mr. GARAMENDI. That is, the Democrats supported and passed the stimulus program, the American Recovery and Reinvestment Act.

Mr. TONKO. Our friends on the other side of the aisle said "no" to progress.

Mr. GARAMENDI. "No." "No." "No."

So for research-specific programs, for energy research and small businesses, they got grants and loans to develop. The Democrats know that we have to improve the private sector to make jobs.

Mr. TONKO. Absolutely.

Well, let me tell you, Representative GARAMENDI, what this means is that with that recovery money, with the stimulus money that the Democrats support and the Republicans said "no" to, we were able to, for once now, finally, appropriate moneys for the science, the technology, and the basic research.

What they will do at SuperPower is develop that final model that will then be deployed into a manufacturing concept that will allow us to create the storage potential for exactly what you were talking about, solar energy and wind energy, which is intermittent in nature. If we get the storage issue, the battery issue resolved, it becomes even more powerful.

So it's not just about taking a garage idea and creating a manufactured product out of it, but it's also creating jobs, which then enables us to create better energy solutions.

So all of this, in a big picture format, is a whiz-kid idea where everybody from tradesmen to Ph.D.'s all get their hands in the action, where we develop a product line which requires manufacturing jobs, but then that product will enable us to respond more favorably and fully to the energy solutions that we can do here domestically and be more energy self-efficient and energy independent. It all comes together in a

master plan that uses the American workers' intellect from skilled labor on over to the Ph.D. And it all happens with our saying "yes" to a partnership like that of the stimulus package.

Mr. GARAMENDI. Well, we know that the central New York area along the Erie Canal was one of the birthplaces of the American Industrial Revolution. I think there was something in the Midwest, too. My colleagues here from the Midwest may have something to add to it. Ohio, I believe? Do you still make things in Ohio?

Mr. RYAN of Ohio. Yes, we do. And we are right in line to continue down the road of innovation, whether it was aerospace with the Wright brothers, the steel industry in Youngstown in the eastern part of my district, or the rubber industry in Akron, which is the western part of my district that I share with Representative SUTTON. And we had, in Youngstown at one point, the highest per capita income in the country in the late fifties, early sixties. Steelworkers were working hard, long hours, making good money, good wages, raising their families, having a good middle class. The big bands would come through town. They would go to Idora Park. The story of America that we all remember.

And today, what we are saying is we understand that it's not going to be 1950, and Frank Sinatra is not going to come back and start singing songs again, as much as that would be terrific. We have got to create our own era of prosperity, and that means that in this country we have got to get tough with globalization and enforcing trade laws. And that means as a country we've got to suck it up, and we've got to say to the multinational corporations, who, quite frankly, don't have the national interest at heart—they've got their bottom line at heart, which is what they do. But as a country, we've got the national interest and need to protect the national interest. So tough with China. Level the playing field. Drive investment back into the United States so that we can make that bus, those solar panels, those windmills and the batteries, right down the line.

And we are not foolish enough. This isn't Pollyanna. We're not going to make everything. We know there is going to be stuff that's manufactured in China for the Chinese markets. Great. And I hope American companies go over there and do that. But what we are saying is we can't be weak-kneed with the Chinese.

I like what I saw today at the hearing we had. I like what I'm hearing within our caucus to possibly bring a bill to the floor that would get tough with China and get us making things in America again.

Mr. GARAMENDI. You said something a moment ago when you were talking about the multinational corporations and whether we're willing to stand up to the multinational corporations and bring jobs back to America. Two and a half weeks ago, we came

back from our session working out in our districts to pick up a piece of legislation called the Education Jobs and Medical Assistance Act. As a result of that, 160,000 teachers are employed across the Nation, and police and firemen, public safety officials and medical services are being provided in the communities.

A major piece of that legislation dealt precisely with the issue you discussed a moment ago about multinationals. Under the previous law, multinational companies that took jobs from America and shipped them to China or somewhere else in the world actually got a tax break. We closed that loophole. We closed that tax loophole, bringing \$10 billion back to the Treasury and discouraging American corporations, ending their incentive.

Mr. TONKO, if you would like to jump into this one.

Mr. TONKO. I think not only is that true, but also I believe during the Bush Presidency there was a strong focus on a portion of our economy, on our jobs, and somewhat a weak commitment to other sectors. As we all know, when you break down the jobs or the economy issue, it's agriculture, it's manufacturing, and it's service sector. I think the emphasis on agriculture and manufacturing was extremely weak.

We see the problems in the agricultural community. I see them in my dairy sector in my district. It's painful to see the lack of attention that has been paid to a fair price for dairy farmers.

In manufacturing, it was ignored heavily. They wanted to, as I said, zero out MEP, the Manufacturing Extension Partnership, which produced a lot of success for X-Ray Optical, where now they are exporting. But they put all their emphasis in the service sector, and where they did, they turned their back to regulation, to oversight, to kind of stewardship of a sector of the economy that, when left to control itself, brought down, because of greed, the American economy, and it wreaked damage upon us.

So what I would say is that we need to put the focus back into manufacturing. The programs we have done here, after the damage that was allowed to occur, are now going to bring back a strong response to manufacturing. And I can't say well enough how strong the Democratic agenda has been here to grow the Make it in America campaign.

Make it in America is something that people have been asking for. And they can't understand, why is it our manufacturing can't work here? Well, we see where the intellect is being invested in, where we are growing a strong partnership with small business, the springboard to our economy. They are providing the great percentage of new jobs in our society.

So, finally, the Democrats bring a working agenda that will be a profitable situation for all of us with job creation and the kind of stability and

local infusion that is essential after it was ignored for far too long.

□ 1810

Mr. GARAMENDI. Let's turn to our colleague from the manufacturing center of America.

Mr. RYAN of Ohio. You want to talk about an example, the illustration of what Democrats stand for when it comes to manufacturing, come to my district. Last week we unveiled the rollout of a third shift at the General Motors plant that is making the Cruise car, a hot car being sold by General Motors all over the world. Think about what would have happened with manufacturing in the United States if this President and this House and this Senate said, Let the auto industry go. I remember watching TV programs and hearing Senators and Republicans from the other side of the aisle saying let the free market work. Let it crash.

We would have lost an essential component to manufacturing in the United States. We would have lost General Motors for sure, sold off in pieces, and who knows who would have come in and ate up that market share from somewhere else in the world. But we said, no. We need to have manufacturing. We need to be a leader in the auto industry. This is something we believe in, and we are now seeing manufacturing increase month after month after month because of the stimulus package and because of what the President and this Democratic Congress did for the auto industry.

Mr. KAGEN. Would the gentleman agree that if you don't make anything, you won't have anything?

Mr. RYAN of Ohio. That makes sense to me.

Mr. KAGEN. You have to make things to have things. And it is manufacturing that brings us our higher wage jobs. But when we brought the bill you referred to to the House floor, only 12 Republicans voted to close the very corporate tax loopholes that ship our jobs overseas. We cannot continue to reward corporations for stealing our jobs and taking them overseas. Whose side are we on? You have to be on the side of the middle class.

When it came time to consider, as we are now in discussions, to making permanent tax cuts for the middle class, it is the Democratic Party that stands up for the middle class to make it possible for them to have a permanent tax cut. The other side of the aisle is promoting what? More and more debt to reward the top 1 or 2 percent income earners in the United States. That is just not right. It is not right for our cities in Wisconsin, and it is not right for America.

The other aspect: The other side of the aisle has an idea about Social Security, to phase it out. Phase out Social Security?

Mr. GARAMENDI. Wait, you mean to tell me that the Republican Party actually has, as one of their policy planks, to phase out Social Security?

Mr. KAGEN. In the State of Wisconsin, it is in their party platform to transform and phase out Social Security. But Social Security is a sacred contract between one generation and the next. It is the most successful social program ever invented by human beings. It guarantees people will be in their house, not the poorhouse, when they become old. It is not a retirement plan, but it is something if you put your money in, you did the work, you have got to be able to get your money out. So when it comes to Social Security, we are here to protect it and enhance it. Our opposition seeks to destroy it. There should be no question about whose side we are on.

But getting back to making it in America, making it in America is not only about manufacturing, it is about guaranteeing that your children have, that the Swanningson family's children, Corey and Kayla, have a great education. It is about guaranteeing that you have access to affordable health care when and where you need it. It is about guaranteeing that our manufacturing base that creates the higher-wage jobs can compete on a level playing field. This is something that just makes sense. But around here, if it makes sense, it is going to be hard to do.

So I would join with my colleagues in encouraging your bill to move forward, to make certain that this administration and any administration moving forward holds China accountable to stop manipulating its currency.

Now, the big picture that I get to see at 30,000 feet that I didn't see before coming here—and you know I am a doctor, right? I always tell my patients, you know, it is going to take you just about as long to get better as it took you to get sick. It took us a while to slide into this deep recession, and it is going to take a while to work our way back into prosperity. But making it—we are going to make it in America, not just with manufacturing once again, but by making sure that we hold China and other Asian nations accountable.

So what I see happening is the idea that free market capitalism has bumped into a brick wall, the Chinese wall. It is the Asian model of capitalism where the government owns the corporation, controls the currency, offers slave-like wages for labor, environmental conditions at work that we would not tolerate, not even for our animals. So what we have to ship overseas is not our jobs, but our American values. That is who we are. The voters will have a chance in several weeks to make decisions about whose side we are on. When it comes to tax cuts for the middle class and to protecting Social Security and making things in America, when it comes to closing those tax loopholes, the Democrats are on their side.

Mr. GARAMENDI. We have talked about various ways we can make it in America, certainly the fair trade dealing with China's currency and the

whole idea of competition. We have talked about the way in which we have to make sure that our tax laws support programs of hiring in the United States rather than off-shoring. In all of these things I would hope our Republican colleagues would come along with us to make it in America. But on maybe 20 different bills that we have moved out of this House, there has been virtually no Republican support.

There are other opportunities, and we offer these opportunities to our Republican colleagues to come along with us on some other programs. A piece of legislation that I am working on deals with these buses that were once made in the Midwest, in Ohio, and are still made in California. Right now we spend about \$6 billion of our gasoline tax money to buy buses, light rail trains, intercity rail systems for Amtrak and the like. In the law, there are four waivers that allow the Department of Transportation to ignore the Buy American rules, and so what has happened over the last 20 years or so is that those waivers are routinely used and transit districts simply buy buses that are made overseas. Our tax money flows out of the country, our jobs disappear, and our industry, the transportation industry, is almost gone.

My legislation tells the Department of Transportation, no, no, those waivers are finished. Three of the four waivers are gone. If there is an extraordinary cost difference, okay. But we want that money spent on American jobs so that when in the San Francisco Bay area, the Bay Area Rapid Transit system, BART, goes out, as they will, to buy \$300 million of train sets for the BART system, where will those trains be made? Will they be made in China? Given the monetary advantage that China has, quite possibly they could win the bid. Given the issues of worker safety and environmental issues that China ignores, they may win the bid. But my legislation says no, we are going to make these trains in America, \$300 million there, \$6 billion to \$7 billion a year across the Nation for transit districts everywhere, we can make it in America if we bring our tax money back. So whether it is wind turbines or solar or buses and trains, it is our tax money. Let's spend it in America, rebuild the American manufacturing system, and make it in America.

Would that be a good thing for Ohio?

Mr. RYAN of Ohio. We are all for it, and I tell you what, if you think about the contrast of the Bush doctrine, which Republicans currently want to go back to, and I am amazed around election time when they are pretty blatant about saying, yup, that is exactly what we want to do. We want to go back to the Bush doctrine on taxes and on energy and all of this, and the economy and not regulating Wall Street, they want to go back to the Bush doctrine of economic policy.

Now I understand that we are having this tax debate now because the tax cuts for the wealthiest Americans and

everyone are going to expire. We need to remember that these were the tax cuts that were going to unleash the economy in the United States. We were going to have all of this growth because of the Bush tax cuts. Cut taxes for the wealthy, explosion among developers, explosion among the economy, and we're going to have low unemployment and everything else. And where did it end? The absolute collapse of the United States economy.

□ 1820

What we're saying is not only tax cuts for the wealthiest in the country but tax cuts to offshore work, incentives for businesses to offshore work out of the country. So it's tax cuts for the wealthiest, offshoring work, having a prescription drug plan that you don't even pay for, borrowing money from the Chinese to run two wars, okay? So this is all the Bush Doctrine which would privatize Social Security and Medicare. This is all the Bush Doctrine.

What we're saying is don't privatize Social Security and Medicare. Let's invest back into these programs. Let's give tax cuts to the middle class. Let's give tax cuts to businesses which will locate and create jobs in the United States. Let's get a manufacturing policy in the United States so that we can have an auto industry, a steel industry, a paper industry, a textile industry, and most importantly, engineering, design and manufacturing economies of the future in green—a clear contrast between the Bush policies that our Republican friends clearly still trumpet and want to go back to. You have on that chart there what we have done to reverse that trend and to continue to invest back into America so we can make things again.

Mr. GARAMENDI. You talked about the investment.

A week ago, President Obama spoke to this issue of making it in America and of rebuilding the American industries. He spoke about the need to give significant tax breaks to businesses that want to invest capital to expand their businesses, to expand their manufacturing bases. Here is a very, very powerful notion.

I was meeting with three of my friends who are in the business community. They are manufacturers—one in the food industry, another in the high-tech industry. I was talking to them about this notion of would you increase your business, would you increase your capital investment on your production lines if you could write off in 1 year the cost of that capital. They said, Absolutely. You put that into law, and I'm investing tomorrow. I'm going to put people to work building my manufacturing base.

So the President has now spoken to this. It's one of the proposals that he has put forward. Today, I introduced a piece of legislation that would do exactly that. Any business that wants to increase its capital investment in that

business—broadband, production lines, machine tools, whatever it is—they could write it off in year one. We can restart the American manufacturing system if we are committed to making it in America, which is a whole series of legislation: ending tax breaks for offshoring, ending tax breaks for businesses that are routinely killing the American economy by sending jobs offshore, using our tax money to build a green economy here in America rather than buying it from manufacturers overseas, making sure our buses, our trains, our planes are made in America.

Dr. KAGEN, you've been in the high-tech industry, in the medical industry. You understand these issues.

Mr. KAGEN. Absolutely.

Mr. GARAMENDI. It affects your kinds of businesses. Share with us your perspective as we begin to wrap this up in the next 6 minutes.

Mr. KAGEN. Well, I'll make a brief comment.

The investment tax credit is so critical for emerging pharmaceutical companies—for biotechnology in particular. So when you reward people for doing good work instead of rewarding corporations and people for their wealth, you really begin to get that engine of America going, that small-business engine that really creates all the jobs that we need. I would summarize what Mr. RYAN had to say as this:

The Bush Doctrine, the Reagan Doctrine of trickle-down economics has failed miserably. It has rewarded people for their wealth instead of their work.

What we must begin to do again is to encourage people, in small business in particular and small banks, to take that risk, to take that chance and to reward you for your risk-taking and for your hard work. That will start the economic engine, and it will rebuild our economy as we go through this transformation over the next decade of becoming energy independent. We may not be totally independent as a Nation as far as growing our own energy, as far as developing our own energy, but we certainly have the resources here at home. Making it in America means not just manufacturing, making things here; it also means investing our hard-earned tax dollars in our own Nation's infrastructure.

What I object to so greatly is that we take our resources, like our children, and send them off to Iraq and Afghanistan, and we send \$2 billion a week into Afghanistan, rebuilding buildings we've never destroyed and building schools that they may need, but we need schools as well and water treatment plants. Look, if we're going to build an infrastructure, it should be here in these United States. That is where my people live. I don't represent people overseas.

Finally, with manufacturing, invest in infrastructure. We also need to balance our trade deals, about which you and I have had discussions with the Asian nations, to make sure that our

trade is balanced. That way, we can generate the higher waged jobs that we need here at home—jobs that will keep people in their homes, that will feed our tax base, that will rebuild our schools, and rebuild our middle class.

Mr. GARAMENDI. Dr. KAGEN, thank you so very much for joining us.

As I started this discussion, I used an analogy of a football game. We're talking about the most important game of all. It's not even a game. The most important thing of all is the American economy and how to keep it going and growing.

To go back over it, during the Bush years, these are all of the reasons we've stated: Two wars for which money was borrowed, creating an enormous deficit; the deregulation of Wall Street, anything goes; the collapse of Wall Street; the issues of tax policy where the wealthy were rewarded for their wealth, not for their work, which led to the largest decline in the American economy since the Great Depression of the 1930s.

It was plain to see that when President Obama came in. That was the first quarter. In the second quarter, we began to see policies that were put forth by the Democratic Party and the Democratic administration, policies that began to restore the American economy—a steady upward climb. It's not where we need to be, but we are on the road, and we did all of that with almost no Republican help at all. If you go back through all of those votes, the Republican Party was standing over there, saying no, no to the programs that actually brought us back, and we continue on today. We are in the locker room, ready for the second half, which begins in January 2011. The question is:

Which team are you going to put back on the field? Where do you stand?

Well, we know pretty clearly where the Republican Party stands. It stands with the old failed policies of the George W. Bush administration. It stands for ending Social Security and for ending Medicare. It stands for anything goes and no regulation; let it rip and it's ripped us off. It stands for tax breaks for the wealthy and the heck with the middle class. That's where the Republican Party stands.

The Democratic Party wants to make it in America, to rebuild the American manufacturing base and the American manufacturing industry.

If you would, Dr. KAGEN, put the picture back up of the family, of the family in your district in the paper industry. This family is losing its job because of unfair competition. If we were to use the Capital Investment Program together with the program that you talked about of restoring fairness and trade, perhaps that company, that family and families in my district would be able to have well-paid, middle class American jobs.

Dr. KAGEN, would you like to close us off here and bring us back to real America.

Mr. KAGEN. Thank you very much for yielding.

I'll just summarize that the Swannington family wants nothing more than any other family in the United States. They want an opportunity to go to work where it's safe, where they can earn a living wage, where they can begin to pay off their own debts and make it on their own, to have their own home, to have a living wage sufficient enough to educate themselves and the next generation—their children. That is, after all, what every family wants.

This is the American Dream that is being stolen away by the illegal dumping of paper into our area, and when China has targeted everything else we make for extinction, it's just time that we stand up and fight for our own jobs here at home. We're going to make it in America when we all begin to paddle in the same direction, when we're all in the same boat. So let's get on board. Let's take that train ride together.

Mr. GARAMENDI. Dr. KAGEN, thank you so very much and my colleagues for joining us, and thank you to my colleagues in the Democratic Party, who are committed to manufacturing matters and to making it in America. We have put forth many, many policies and programs. We ask our Republican colleagues to join us in making it in America.

I yield back my time, Mr. Speaker.

□ 1830

#### THE ECONOMY

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

Mr. AKIN. Thank you, Mr. Speaker.

Good evening. It's a pleasure to be able to join you. I had a chance to listen in on some of the last hour presented by the Democrats and their views on the economy. It seemed like a fair amount of sophistry to me and a lot of excuses. It would seem like we're blaming things on Bush and the Chinese. So I am going to be presenting and maybe even have some guests here presenting a different perspective on the economy, and the American people will be the judge of that debate and discussion in November.

Now I would suggest that the Democrats and their policies are actually destructive to the economy. I don't think it's a coincidence that if you look at the 10 cities in America that have the highest percentage of people below the poverty level, that those cities have been managed, every one of them, for many years by Democrats. Now you can blame the Chinese and you can blame President Bush, but I would suggest, and I will show in the next hour in plain, simple terms why the Democrat policies are literally destroying the economy.

Now you could say, well, I don't like that, or maybe you're being partisan.

I'm not really quite so concerned about being partisan or whether we like things politically. I'm concerned with America. I'm concerned with the people that don't have jobs. And I'm concerned that not only are we creating unemployment but we are systematically destroying the businesses that can create employment in the future.

Let's take a look at these questions. Those are strong charges to say that the Democrats are the ones that are actually responsible for what's been going on. I think a lot of Americans have some sense that that may be true. Sometimes it's fun to take a look at some of these political cartoons. We have the President here now talking to the guy that owns the china shop: "Now give me one good reason why you're not hiring." And you have health care reform storming in and cap-and-tax or cap-and-trade and the taxes that are impending and all. The point of the cartoon, of course, is the fact that the policies that we have seen are creating the unemployment.

Let's look at that again just a little bit closer. Now when we talk about the economy, there are different ways of measuring it, you can see. Well, is Wall Street doing well? Am I doing well? Am I happy with my job or are things going comfortably for me? Is there a lot of employment or unemployment? Those are measures that we use. We take a look, also, at the rate of the Federal Government, how much it's spending money versus how much it's having to borrow. Those are all things when we say the economy, what does that mean? But particularly it's very personal when we talk about unemployment and it becomes not a political issue but a personal issue when it's your job that was just lost.

We were told that we had to come up with this economic stimulus bill last year. We were told that if you don't pass this economic stimulus bill, this unemployment could get above where it is now. It's going up, could get above, but if you don't pass it, why, we could have 9 percent unemployment if you don't pass this stimulus bill. And so the Democrats, all by themselves, passed this \$800 billion bill to supposedly stimulate the economy. After they passed it, what happened? Well, now we've got this unemployment here at 9.7 percent. The numbers vary, but we're pretty close to 10. But that 10 percent is very conservative, because if you've lost your job more than a year ago, you don't get to count in the statistics anymore. So, in fact, the unemployment rate is well over 10 percent in America.

Now we were told that if you passed the stimulus bill, that we could keep it underneath 8 percent. That's the words that the Democrats brought to this floor a year ago. The fact is they were wrong. Anybody can see they're wrong. Just take a look at what the unemployment numbers are, and they don't bear it out. In fact, they spent \$800 billion, and where did it all go? Did it go