

and that is the use of the filibuster to basically stop the confirmation process both for circuit court and Supreme Court nominations.

In light of this mounting problem, it may become necessary to restore the confirmation process by adjusting the rules in the Senate. Of course, the Constitution gives the Senate the right and the authority to govern itself and has set up its own rulemaking. In fact, the Democrats in the Senate, when they were in the majority, advocated the total removal of the filibuster in 1995, and that was voted for by Senators BOXER, HARKIN, and KENNEDY, and some others. So there has been discussion on this subject in the past.

But we are not suggesting the removal of the filibuster, not at all. But we do not stand for the complete filibuster of judicial appointments. Rather, the so-called Constitutional Option actually is a very narrow rule change, and it affects only the Supreme Court and circuit court nominees.

So, once again, we come back to where we have been for 214 years, and that is the fact that never, never in the history of this Republic has it ever happened that a judge that was supported by a majority was denied the right to have a simple vote on whether or not they could serve. Never in our history has a nominee with clear majority support failed to receive a vote in the U.S. Senate. This is our long-standing tradition.

We believe that at least a majority should have the right to cast a vote on whether or not we will seat a judge, and that is all that we are talking about. It is an essential tenet of our whole representative form of government, the idea that there should not be some tyranny which makes it so nobody can even have a chance to vote. And that is certainly a new use of the filibuster and something which threatens to shut down our entire confirmation process for the courts.

We have never embraced a system in which it requires 60 votes to confirm a judge, and we should not be doing that now. With this change, Mr. Smith can still come to Washington, he can still filibuster legislation, but our constitutional call to confirm judges will continue so that the work of the judiciary may go on without the obstruction that we have been seeing in the last several years.

Mr. KING of Iowa. Mr. Speaker, I thank the gentleman for his contribution to this important subject matter that is before us here. It is actually pending before the United States Senate.

A couple of pieces that I think came out in this discussion we have had tonight has been that even though we are asking Mr. FRIST to utilize the Constitutional Option and to call for a rule decision that would be that in the case of a constitutional issue in the United States Senate, when the confirmation of judges are before the United States Senate, a simple majority vote will

have to prevail. It is not unprecedented in the Senate rules. What it would do is it would set aside the filibuster option with regard to judicial appointments.

There is no filibuster right now for appropriations bills for obvious reasons, because if you allowed a single Senator or a minority of the Senators to hold up the spending, then anyone could hold the appropriations process hostage to their particular agenda and their particular wishes. Those rules reflect the reason for suspending filibuster for the purposes of appropriations.

Certainly, getting judges on the bench is as high a standard and something that should allow for a simple majority vote over in the Senate. If he exercises that option and the majority leader makes a decision that they will have a vote on the rule, the rule can be amended on the floor of the Senate with a simple majority vote. So if 51 Senators say, let us change the rule to a simple majority for confirmation of judges, it is entirely within the Constitution. In fact, it brings them back to the Constitution which says advice and consent. Consent is defined as a simple majority, not a supermajority, which is what prevails today.

I happen to have heard in the news media last week, or else early this week, the former Governor of New York was on the media saying, and that would be Governor Cuomo, saying that James Madison said the Constitution is here to protect the rights of the minority, meaning the minority in the United States Senate, from the tyranny of the majority. Well, this is not the case. I will say, yes, the Constitution protects those rights; it defines those rights. But what we have right now is the tyranny of the minority in the United States Senate setting policy and determining who will get through the confirmation process for everyone in the United States of America.

So Mr. Smith, after this rule is changed, will still go to Washington, we will still protect the rights of the minority by our Constitution, but we will then prevent the minority, who have been elected to serve in a capacity in the United States Senate, will allow them their rights, will let the people who elected the majority in the Senate make the decisions on who gets confirmed to the courts in this land.

There is far more at stake here than these judges that are before the court today. It is the impending nomination to the Supreme Court that is at stake here. The hostages that are sitting over there right now in the Senate include the energy bill, the transportation, the road bill, other pieces of legislation that we passed over there from the House, all sit there today waiting to be bottled up in a potential filibuster that has to do with the threat that the process will be shut down in the Senate.

Well, we know when somebody shuts down this legislative body by using the rules, however they might use the

rules, they have paid a price at the ballot box. There are more Senators over there today on the majority side than there were before the last election because the public does not want obstruction. They want progress, they want an up-or-down vote for these justices consistent with the Constitution, and that is a simple majority.

My junior Senator from the State of Iowa is one of those people who has taken a position and actually led an initiative back in 1995 to change the rules in the Senate so there would not be a filibuster of the justices. That was his opinion then; I am asking that it be his opinion today. In fact, his wife was before the Iowa Senate to be confirmed to a position there before the Board of Regents. If those senators had determined, my former colleagues, my alma mater had determined they wanted to use their rights to filibuster to hold that up, the junior Senator from Iowa's wife would not be sitting on the Board of Regents today like she is.

We want to have the voice of the people in this country heard. We want to stay consistent with the Constitution. We want an up-or-down vote. It is a simple process, a simple concept, and something that, in 214 years of the United States, has not been utilized, the filibuster, to hold up these judicial appointments.

So, Mr. Speaker, I would ask this: let the people know that what we are asking, the Constitutional Option, the up-or-down vote in the United States Senate, let the people know that it is their voice that will be heard when that option is exercised. We ask for that action early in the United States Senate so that it does not bottleneck legislation that is there; and we ask for this decision before such time as we get into a real bare-knuckles brawl over a Supreme Court Justice that might well be nominated within the next few months.

So with that, Mr. Speaker, I appreciate the opportunity to speak before this House.

CAFTA, LIKE NAFTA, IS BAD TRADE POLICY

The SPEAKER pro tempore (Mr. INGALLIS of South Carolina). Under the Speaker's announced policy of January 4, 2005, the gentleman from Maine (Mr. MICHAUD) is recognized for 60 minutes as the designee of the minority leader.

Mr. MICHAUD. Mr. Speaker, first I want to thank my good friends, the gentleman from Ohio (Mr. BROWN) and the gentleman from New Jersey (Mr. PALLONE), for allowing me to conduct this Special Order regarding CAFTA this evening. They have been remarkable advocates of issues affecting working families, and they have my gratitude and admiration.

Mr. Speaker, there are several Members who want to come down to speak on this important issue, so I will at this time yield to my good friend, good colleague and cofounder of the House

Labor and Working Family Caucus, the gentlewoman from California (Ms. LINDA T. SÁNCHEZ).

Ms. LINDA T. SÁNCHEZ of California. Mr. Speaker, this evening I rise in opposition to the Central American Free Trade Agreement. I am glad to see that there are other Members fighting against this deeply flawed trade agreement.

When a trade agreement is so terrible that the Costa Rican president says he thinks it will hurt hard-working people and that their parliament is reluctant to even approve it, you know that it is a bad deal. When a trade agreement is so terrible that the majority will not even bring it to the floor of the House for a vote until a year after signing, you know it is a bad deal. When a trade agreement is so terrible that the Labor Department cannot even comment, they could not even mount an effective counter-argument about CAFTA's awful labor provisions, well, then you know it is a bad deal.

If Costa Rica cannot justify it, if the majority has no confidence in it, and if the U.S. Labor Department cannot even defend it, then it needs to be scrapped. There is not one single reason to support an agreement with this many problems in it.

I would like to talk about a little comparison between CAFTA and NAFTA, because NAFTA was supposed to be this great free trade agreement with our partners to the south, Mexico; and, boy, did we really get the wool pulled over our eyes. With CAFTA, we have a chance to learn from the mistakes of NAFTA and not allow that to happen again.

They told us that NAFTA would bring jobs, but we lost jobs. They promised that our trade would improve, but it has gotten worse with the steadily rising trade deficit. And they told us that it would elevate the middle class in Mexico. Well, guess what? I have been there, and it has not.

When I visited Mexico, I went to a small town in the state of Michoacan, where 60 percent of the men have left the town because there is no work. These men used to be soybean farmers, but their farms have been wiped out since NAFTA. Were these not the people that NAFTA was supposed to help? Instead, they got nothing, and their way of life has been decimated forever. CAFTA will have the same effect.

The gentleman from Arizona (Mr. KOLBE) has said that CAFTA will reduce illegal immigration. Well, guess what? He said the exact same thing about NAFTA. In fact, history has taught us the exact opposite. NAFTA enabled cheap U.S. imports, which pushed 1.3 million Mexican campesinos off the land. It is reasonable to think that some of them may long have since crossed the border into the U.S. seeking economic opportunity.

Central America is even more dependent on agriculture than Mexico is, so the impact on illegal immigration could be even worse. We do not want

another NAFTA debacle. We do not want an agreement that hurts hard-working people in the U.S. and other countries.

The word needs to get out that CAFTA is a rotten deal for Central American and American workers. This agreement helps no one but big business, which makes sense, since this administration gives them a prime seat at the negotiating table. This is simply an expansion of NAFTA, which broke all the golden promises that it made to the American people.

CAFTA should be more appropriately renamed The American Jobs For Sale Agreement, because that is what it does. I say to my colleagues, do not be fooled twice. For those of you who were not here then, like me, do not even allow yourself to be fooled once. I invite you to join the growing list of opposition to CAFTA.

Mr. MICHAUD. Mr. Speaker, now I would like to yield to the good gentleman from Ohio (Mr. KUCINICH), a gentleman who has fought for the environment and who has fought for working-family issues.

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Mr. KUCINICH. Mr. Speaker, I thank the gentleman from Maine (Mr. MICHAUD) for yielding, and thank him for his dedication to the workers of the State of Maine and to workers all over this country. All of America appreciates the leadership that you have taken on this issue. I am proud to join you at this moment.

I remember years ago hearing Ross Perot talk about the sucking sound that would be heard once NAFTA passed. We were warned that we would be losing millions of jobs. Well, all of these prophecies have come true. We now seem to have learned nothing, because we have a new trade agreement that is being delivered to this Congress that promises to do exactly the same thing that NAFTA has done to our country.

And that is the so-called negotiated Dominican Republic-Central American Free Trade Agreement, or DR-CAFTA for short. This legislation, which I will refer to here as CAFTA, will be harmful to all of the people of the signed nations. CAFTA will benefit a few and hurt the many.

Governments will have little or no control over the investment of foreign companies. As a matter of fact, the power of legislatures is effectively nullified once these trade agreements are passed. National development needs and the rights of citizens and local governments will come secondary to the rights of foreign investors.

Moreover, investors will not have to comply with international labor organization standards, workers rights will be undermined, especially for women workers, for farmers, and Maquila workers. The labor rights abuses that are currently prevalent throughout the CAFTA countries will run rampant under this new legislation's weak labor provisions.

Countries will enjoy greater tariff benefits for goods made by workers whose rights have been denied. Family farms in Central America and the United States will fall victim to CAFTA, which will threaten locally-grown produce and undermine food security. Basic public goods and services, such as education, health care and water will become privatized as governments lose the flexibility to subsidize these services.

Think about this. Privatization of education, privatization of health care. We have a private health care system, which is wrecking this country's ability to be able to meet the needs of its people. We are going to cause it to proliferate across Central America. The attempt to privatize water constitutes a challenge to human dignity. We are going to help facilitate the privatization of water with this legislation.

Expensive brand name drugs will have expanded patents, and inexpensive generic medicines will have greater restrictions. Poor people will not have access to lifesaving pharmaceuticals, because what are these trade agreements about? They are about lifting of corporate rights and dashing the rights of the common people.

The rules of trade, as first developed in NAFTA and now expanded in CAFTA, will increase the suffering of people in all signed countries. When CAFTA comes before Congress for a vote, I will urge my colleagues to oppose this unfair agreement. Trade between nations does not and should not have to lead to such negative consequences.

Trade should lift up the human condition, not degrade it. Trade should celebrate workers rights, not destroy those rights. Trade should take into account environmental quality principles and appreciate the quality of our air and our water. We have new goals to set in this country with respect to trade agreements; workers rights, human rights, environmental quality principles must be included in all trade agreements. We have to challenge the prevailing consensus which delivered NAFTA to this Congress.

We have to challenge the prevailing consensus which brought the World Trade Organization into being without any respect for the rights of national legislative bodies or for the people that we represent.

So I want to thank the gentleman from Maine (Mr. MICHAUD) for leading the way on this issue. I am proud to join with you, and I look forward to continuing to work with you as we take a stand here on behalf of workers not just in this country, but all over the world.

Mr. MICHAUD. Mr. Speaker, I would like to thank the gentleman from Ohio (Mr. KUCINICH) for his leadership on this issue and look forward to working with him on this issue.

Mr. Speaker, as a co-founder of the House Labor and Working Families Caucus, I am privileged to be here with

my colleagues to discuss the devastating impact that Central America Free Trade Agreement will have on our economy here in the United States. This so-called free trade deal promises to cripple our industries, both in my home State of Maine and throughout the Nation. Before coming to Congress I worked over 29 years at Great Northern Paper Company in East Millinocket. I have seen first-hand the devastation of the so-called free trade on Maine's economy, and I know what it means to working families.

I could see in 1994, with NAFTA, which has been nothing but a disaster, costing people of the State of Maine over 24,000 manufacturing jobs. In some parts of my Congressional district, unemployment has reached over 30 percent in different labor market areas over the last 2 years. Over 30 percent.

And often when jobs go, so do people, taking the heart and soul of what once was prosperous communities with them. Today, the threat of job loss is not for blue collar workers alone. Even high-tech companies like IBM, Boeing, General Electric are taking their computer and engineering jobs to China, India, and the Far East, while leaving behind a long trail of pink slips.

As a Member of Congress, I have had the opportunity to meet with several prominent free traders, like the trade Ambassador, Bob Zoellick. They like to talk about how free trade is good for everyone and creates jobs. But when I share the story of what happened and is happening in the State of Maine, of the many jobs lost and the lives that are devastated by those jobs lost, they admit to me, well, there will be winners and there will be losers, and that is just the price of doing business.

This is not a game. These are real people who lose jobs every day. They are the ones who lose the jobs who can no longer afford to send their kids to college and who can no longer afford even basic health care for their families.

Now, do not get me wrong. I am glad that there are a lot of Federal program benefits available to help dislocated workers. And I have devoted myself in advocating and fighting for Federal resources to help laid off workers. But, working people do not want a program and handout created by Congress to clean up the mess from these so-called free trade agreements. They just want their jobs. Each and every Mainer, each and every American worker, should be asking, can we afford to lose another job? Can we afford the Central American and Dominican Republic Free Trade Agreements?

The job loss numbers show that we simply cannot afford that. From 1998 to 2004 alone, 11,724 workers in Maine were certified for trade-related adjustment assistance. Companies like C.F. Hathaway Company in Waterville, Gerber Childrenswear in Fort Kent, were among the hardest hit by NAFTA.

The company that I worked for for over 29 years, Great Northern Paper

Company, announced only 2 days after I was sworn in as a Member of Congress in 2003, they were filing bankruptcy. My coworkers, my family, my community was devastated. And the culprit was the so-called free trade agreements.

These agreements have created nothing but stagnant economies and rising inequality. And CAFTA is based on the same NAFTA model. You will hear from me and other Members this evening about the specifics of its devastating effects tonight.

This agreement will serve to push ahead the corporate globalization trend that has caused a race to the bottom in labor and environmental standards. American companies are often forced to compete with foreign corporations who are not held to the same labor or environmental standards. This creates an unfair balance.

I have long advocated for fair trade, not just free trade. The fight ahead is to ensure that these trade agreements are fair for our workers, our businesses, our States. We must ensure that all trade agreements respect workers rights to the environment, health and human rights. And I know Members on both sides of the aisle are committed to stopping this flawed agreement that we currently will be voting on in the months ahead.

Mr. Speaker, I yield to the gentleman from Massachusetts (Mr. LYNCH) who is also a co-founder of the House Labor and Working Family Caucus.

Mr. LYNCH. Mr. Speaker, I thank the gentleman from Maine (Mr. MICHAUD) for yielding. I thank the gentleman for his leadership on this very important issue.

I am told that the clinical definition of insanity is the tenacity to do the same thing over and over again and expect different results. And this proposed Central American Free Trade Agreement is another example of the United States continuing to enter into these so-called free trade agreements with countries and regions of the world that give carte blanche to corporate America to send our American jobs to other parts of the globe.

The one thing that I have been struck with, after coming here to Congress is, how many people in Washington, D.C. talk about job loss like they are talking about the weather, or a natural disaster like an earthquake. They talk about job loss like it is something that happens beyond the control of Congress, when, in fact, much of the job loss that we see in America today is the result of poor trade policy, and lopsided trade agreements in which we have negotiated away our jobs and failed to protect the American worker.

Now, given the experience that we have had thus far, with our subsequent trade agreements with NAFTA and others, you would think that with our experience of job loss that we have had there that when you find yourself in a hole that you might stop digging. But,

that is not the case, because here we are facing another agreement that will definitely ship jobs overseas.

Not only does CAFTA, the Central Free American Trade Agreement shift jobs overseas, but it creates and perpetuates a race to the bottom mentality, and further burdens our current trade deficit.

In 2004, the U.S. trade deficit soared to a record \$617 billion, a 25 percent increase over 2003's record deficit, and more than 5 percent of our Nation's GDP.

The Bush Administration and the corporations who profit when America sends their jobs overseas argue that this trade deal will benefit U.S. businesses and workers while helping member countries prosper. But, the fact is from our own experience with NAFTA, that that is very far from the truth.

And tonight I would like to focus my remarks on exposing the real impact of the Central American Free Trade Agreement, and what it will do to American workers, and also to Central American workers as well, and our burgeoning trade deficit.

Let us first take a quick look at the North American Free Trade Agreement, NAFTA, and its impact on our workers and our neighbor's workers and the trade deficit. Those who advocated Congress's passage of the Central American Free Trade Agreement often point to NAFTA as a success story in their arguments. I think it is important to take a good hard look, both from economic and policy implications of that model as we consider the Central American Free Trade Agreement.

During the NAFTA debate, the proponents then argued that the measure would, if adopted, would lead to the creation of 170,000 new jobs in the United States. Instead, our country has lost 3 million manufacturing jobs since the adoption of NAFTA, in 1994.

And 900,000 of those jobs lost can be directly tied to NAFTA. These jobs were good, high-paying jobs that included benefits. They were manufacturing jobs that have been replaced by service sector jobs that typically pay 25 to 75 percent less, and with few or no benefits. And while some proponents expect the Central American Free Trade Agreement to turn out differently than did NAFTA, it is important to remember that the six Central American countries possess an even larger pool of cheap labor than did Mexico, and what is more, since the implementation of NAFTA, the trade deficit with Mexico has surged from \$9 billion to \$110 billion last year.

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So the deficit with Mexico, the trade imbalance with Mexico, has gone from \$9 billion before NAFTA to \$110 billion last year.

Additionally, NAFTA did nothing to improve the lives of average Americans; and my colleague, the gentleman from California (Ms. LINDA T. SANCHEZ), has talked about that briefly

prior to my remarks. This failure to improve the quality of life for these workers has generated mass opposition and widespread distrust on our southern border.

Amnesty International continues to report that extra judicial tortures and murders continue. This is not democracy that we are exporting to Mexico, and this is certainly not what the Mexican workers signed up for.

Meanwhile, here at home this comparative advantage of subsistent wages and a complete lack of labor and environmental protections have led to the shift of low-wage, labor-intensive jobs from the U.S. to Mexico.

Pursuing unrestricted free trade agreements with lesser developed countries along the NAFTA model will continue to accelerate this race to the bottom where jobs go to countries where the weakest labor standards and environmental protections exist. That is bad for American workers, and it is exploitive of foreign workers and foreign populations.

We hear this administration talk about exporting democracy. You hear that often in the last weeks and months with regard to the situation in Iraq. Well, this is probably the most powerful opportunity we have to export democracy. You do not export democracy through the Defense Department or the Defense Secretary. You do it through trade agreements, through the Department of Commerce and favorable agreements with our friends and neighbors across the globe.

Are we liberating Iraq so we can move American jobs over there and exploit them for wages of about 10 cents an hour? I certainly hope not. And I hope that is not what our men and women are fighting today in Iraq for. We do not express liberation in terms of working 10 to 12 hours a day for 10 cents an hour, but that is what we are proposing for Central America.

As for the expected boon to the Mexican economy, we have seen none of these gains, and instead we have seen NAFTA's detrimental impact on the Mexican workers. Average real wages in Mexican manufacturing are lower than they were 10 years ago, if you can believe that.

As companies look to cut costs further, we see factories now being shifted from Mexico to China and India and Indonesia, always in search of the lowest cost best exemplified by the most exploited worker.

Now on NAFTA's coattails rides CAFTA, the Central American Free Trade Agreement. The American people are expected to buy the same bill of goods at even higher costs. Proponents of CAFTA, the Central American Free Trade Agreement, insist that the economic gains from this trade agreement for American workers in business will be a windfall. But remember what we are trading for in this case.

The combined purchasing power of all six Central American countries that are affected by this agreement have the

identical purchasing power of New Haven, Connecticut. If you combine all of the purchasing power in these nations under the Central American agreement, their entire purchasing power is equal to the city of New Haven, Connecticut. That is what we are talking about here. This is what we are going for.

What they do have is millions of low-wage workers, and that, I think, that is the real object of this agreement. The U.S. economy has \$10 trillion in gross domestic product in 2002. It is 170 times larger than the economies of those six nations at about \$62 billion combined. And quite simply, the Central American Free Trade Agreement is not about robust markets for export of American goods. It is about access to cheap labor. It is about shipping American jobs overseas so they can sell stuff back to the people who have not been laid off yet.

Like the gentleman from Maine (Mr. MICHAUD), who spoke earlier and who is leading this debate, I worked in my previous life as an iron worker for about 20 years. I worked at the General Motors facility that used to be in Framingham, Massachusetts. It closed shortly before GM made decisions to relocate plants to Mexico. I also worked at the General Dynamics shipyard in Quincy, Massachusetts, as a welder prior to that plant closing because of foreign competition and unfair trade practices. I also worked in the steel mills in Gary, Indiana, and East Chicago, Indiana, for U.S. Steel and Inland Steel. And I understand those plants are now victims of foreign outsourcing as well.

So I know a little bit about the impact of off-shoring and imbalance in our trade agreements. I know what it means to communities and families when those jobs disappear.

Over the last 20 years, our economy has hemorrhaged jobs in the manufacturing sector. Since 2001, 3.3 million jobs were lost. Yet these workers were told not to worry. They were told they would be retrained for another job; they needed more education in our new high-tech economy. How can they not worry when unemployment is at a 10-year high at 5.4 percent, with 80 million Americans out of a job? Personal bankruptcies in my State rose 17 percent between the years 2000 and 2003.

How can we tell these folks not to worry when the administration is signing even more trade agreements to ship away their jobs?

The never-ending pursuit of the lowest-cost labor is spreading, and CAFTA will only just cement this cycle. We need to break the cycle now.

There is a pretty good book that is out there right now. It is called "The World is Flat" by Tom Friedman. I suggest my colleagues read it. Mr. Friedman writes about the speed at which our jobs are disappearing and the volume of wealth being taken from regular, average, working-class Americans.

The biggest share of U.S. exports to the six CAFTA nations is not the traditional job-creation kind. These are products that are not consumed in the purchasing nations. What happens is that, for example, textiles here in the United States are shipped to Central America where they are fashioned and furnished into clothing which is then shipped back to the United States and which our people, those that still have jobs, are able to purchase. These are called exports, but in fact it is just a cycle of us exporting raw materials and getting back finished product which was once supplied by U.S.-based factories.

The biggest difference here is that American workers are cut out of the picture. More than 30 percent of U.S. exports to the six CAFTA countries consist of these roundtrip exports that cause American jobs to be outsourced to these countries with lower labor standards.

This trade agreement is bad not only for the American workers but for those in Central America as well.

Yesterday, The Wall Street Journal reported that Costa Rica's resistance to the Central American Free Trade Agreement was based on the fact that the agreement itself would be harmful to poor and struggling workers in Costa Rica. Costa Rican President Abel Pacheco has said that he believes that the Central American Free Trade Agreement is bad overall for his country, and he has delayed a vote on that until February of next year.

The reluctance of Costa Rica has surprised the White House and undermines one of its chief arguments for the pact itself, that CAFTA represents an urgently sought benefit for the impoverished region.

Costa Rica's ambivalence and long delay before it votes on this trade agreement indicates its reluctance to endorse this supposed free trade agreement. Protests in Guatemala numbering in the thousands and tens of thousands have also been an indicator that many Central Americans do not see the Central American Free Trade Agreement as a benefit for their nation and for their livelihood.

As you may know, May Day marches in Guatemala, Costa Rica, Honduras, and El Salvador have featured a myriad of anti-CAFTA signs and slogans. As President Pacheco rightly emphasizes, more trade does not necessarily mean less poverty.

Proponents of the Central America Free Trade Agreement have conveniently ignored this fundamental fact: the effect of trade on incomes in Central America and how to alleviate the adverse consequences of trade liberalization on the poor.

This Washington consensus that opening up markets will help alleviate poverty is just plain wrong. One reason is that the labor in developing countries is not nearly as mobile as trade theorists assume. In Central America, for trade to benefit unskilled workers,

farm laborers, for example, they need to be able to move out of jobs that will face competition from efficient U.S. producers thanks to CAFTA, such as drilling, corn and into exporting industries that are likely to be selling products to the American market.

Unfortunately, there is no job mobility in Central America, and these workers are stuck, and there will be no place for them to turn.

Trade reform has also been linked to increased income disparity as skilled workers have captured more benefits from globalization than their unskilled counterparts. Simply said, CAFTA will make the rich richer in Central America and the poor poorer.

Take Mexico as a perfect example. Since NAFTA was put in place, Mexico has lost 1.9 million jobs and most Mexicans' real wages have fallen. The United States with its unrivaled economic clout is in a unique position to empower workers around the world while promoting economic prosperity here at home.

Unfortunately, the CAFTA agreement does the exact opposite. If we pass CAFTA, the Central American Free Trade Agreement, we are rewarding Central American countries for their poor labor rights records. We are harming farmers in Central America by opening up their tiny markets to our own cycle of exploitation.

Recently released reports prepared by the Human Rights Watch and National Labor Committees provide overwhelming evidence that CAFTA does almost nothing to protect workers. These Labor Department reports have been suppressed because they demonstrate the Central American workers' rights restrictions.

Thanks to my colleague, the gentleman from Michigan (Mr. LEVIN), the Department of Labor has just recently released these reports.

In these reports, DOL found that the right to collective bargaining and non-discrimination in the workplace were nonexistent. In Nicaragua, for example, employees can be fired for trying to organize a union, provided they are paid twice the normal severance amount. It is bad enough that these countries do not meet international labor standards, but what is worse is that CAFTA is silent on the need to improve any working conditions in Central American countries.

Instead of trade policy that is beneficial to American businesses and workers as well as our trade partners, we have a flawed trade policy that hurts all parties. Free trade should not mean free labor. Likewise, free trade does not, as evidenced in CAFTA, mean fair trade.

The Central American Free Trade Agreement outlines only one labor and environmental provision, and that is that countries enforce their own labor and environmental laws regardless of how weak those might be.

The labor laws of the six CAFTA nations are a joke. They have been re-

peatedly criticized by the U.N.'s international labor organization and our own State Department. Violations of core labor laws cannot be taken to dispute resolution. And the commitment to enforce domestic labor laws, which are pathetic to begin with, is subject to remedies that are weaker than those available for commercial disputes.

In a purely technical sense, this violates the negotiating principal of the Trade Promotion Authority Act that equivalent remedies exist for all parts of an agreement.

Another negative effect of the Central American Free Trade Agreement for the Central American laborer will be felt in the agricultural sectors of these countries. Simply put, CAFTA will destroy the Central American small farms. And that is why we see these massive protests.

The final negative impact of the Central American Free Trade Agreement I would like to discuss is what it will do to our trade deficit. The U.S. trade deficit which indicates that our imports exceed exports, has increased by \$200 billion per year under this administration. In 2003, the trade deficit reached \$497 billion, and U.S. foreign debt has increased dramatically from \$1.6 trillion in 2000 to \$2.7 trillion at the end of 2003.

Over the past 4 years, a 10-year budget surplus of \$5.6 trillion left by President Clinton has become a 10-year deficit of \$3 trillion. And now we are working on another plan here to export more American jobs to countries overseas.

Secretary of State Condoleezza Rice said yesterday that the Central American Free Trade Agreement will help the U.S. compete more successfully in a dynamic global economy, but I cannot understand how.

How will these nations be able to help the U.S. come out of its current trade deficit? CAFTA nations are not a robust market for exports. The average wage of a Nicaraguan worker is 50 cents an hour. How much in terms of U.S. exports can a Nicaraguan worker afford? They cannot afford Folgers coffee or Tide laundry detergent. They cannot afford cuts of U.S. prime beef at \$13 a pound.

As I noted before, the six Central American nations of Nicaragua, El Salvador, Honduras, Costa Rica, Guatemala, and the Dominican Republic have the combined purchasing power of New Haven, Connecticut.

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They will not add much to the U.S. economy. They will only take American jobs away, and make no mistake, that is what this agreement is all about.

If companies were serious about creating robust markets for "Made in America" goods, they would be working to improve the wages and working conditions of these workers. It is only when these laborers can earn enough to buy U.S. goods that this kind of trade

agreement will be successful for all the parties and all the countries involved.

If you consider that a typical Central American consumer earns only a small fraction of an average American worker's wages, it becomes clear that CAFTA's true goal is not to increase U.S. exports. About half the workers in this region work for less than \$2 a day, placing them below the global poverty level.

All this agreement does is exploit lowest-wage labor to the detriment of the American worker. The Central American Free Trade Agreement does not benefit America. Let us be honest. CAFTA benefits companies that leave the U.S. or outsource their jobs to Central America, plain and simple. These companies will not only exploit cheap labor with minimal protections, but can import their products back to the U.S. under favorable terms.

There are several simple steps we can take to mitigate the effects that existing trade agreements have on our workers and future trade agreements have on global labor movements.

First, instead of subsidizing large corporations that outsource American jobs, with tax breaks for foreign production and government contracts for companies that ship jobs overseas, we should create financial incentives for companies to keep jobs here in the United States. It sounds simple. It could be revolutionary in this country.

Secondly, we must act now to deal with our increasing national deficit. The U.S. trade deficit has jumped from \$70 billion in 1993 to \$618 billion in 2004. There should be no new trade agreements until we can negotiate fair terms for our own workers.

Finally, in existing trade agreements, we need to demand and strictly enforce all provisions protecting labor, human rights and environmental standards. All future trade agreements should include these basic rights and all countries should be held accountable to internationally recognized standards.

We need a trade policy that supports domestic manufacturers, while promoting labor standards which are similar to our own overseas. The Central American Free Trade Agreement fails to do either.

In closing, I must say that there is a stark difference between our policy in the United States with respect to Iraq and the policy that is being suggested here in this Central American Free Trade Agreement. I was in Iraq several weeks ago, and there was much talk from the White House and from my colleagues in government about the need to spread democracy, to export democracy. I have heard of that a lot in the recent months and weeks, the talk of empowering people and raising their standards of living and liberating the people of Iraq.

Then I see this Central American Free Trade Agreement and what it does. It endorses oppression. It exploits workers. It turns a blind eye to repressive regimes. It reinforces the complete

lack of hope that these people have, and it does not lift a finger to help them.

Once Iraq is stabilized, is this the way we will treat their workers? Is this why we pumped \$200 billion into that country in the last few years? Is that what liberation means for the Iraqi worker? Is that what our sons and daughters are fighting for? Is that the policy that we are going to adopt for Iraq once they are able to stand up on their own feet and control their own country?

We should have the courage and the honesty to tell our men and women in uniform that that is what they are fighting for if that is what we are proposing.

Mr. MICHAUD. Mr. Speaker, I would like to thank the gentleman from Massachusetts for his comments tonight and I really appreciate his remarks.

Now, Mr. Speaker, I would like to yield to the gentleman from Maine (Mr. ALLEN), a gentleman who I have known for some time, a gentleman who is deeply concerned about the trade agreements and what effect it has on our State, of the State of Maine, and I am very appreciative of the work that he has done for the people of the State of Maine, particularly coming into the 2nd District, which is my district, to see the effect of some of these unfair trade agreements and the job losses that we have.

So I now yield to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentleman from Maine (Mr. MICHAUD) for yielding to me, my friend and colleague.

I stand here as a person who believes fundamentally that the task we have here in the Congress is to create a stronger and more competitive America, number 1; number 2, to encourage a broader prosperity among citizens among all walks of life in the country; and 3, to create a better future for ourselves and our children. It really comes down to being pretty much that simple.

I also stand here as someone who, in the past, has voted for some trade agreements and voted against others, and I wanted to speak tonight on why I believe CAFTA is a bad deal for the American people and a very bad deal for Central America as well.

Our history has shown that the free enterprise system, and free markets in particular, are essential in order to have an efficient allocation of resources and to encourage economic growth, but our history has also taught us that free markets do not, by themselves, assure that the benefits of a free economy will be distributed fairly among the population.

In fact, in many places around the world, it is the case that wealth and power are concentrated, and in America, in the last four years, wealth and power have become concentrated at an alarming rate.

We are doing anything in this country but encouraging broader pros-

perity. We, in fact, are doing tax cuts for the wealthiest people in the country and making it harder every day for the middle class to get by, to pay for their mortgage, to get a good education, to pay for their health care, and to otherwise create for themselves and their children the kind of life that we thought America promised to everyone.

So, some of my criticisms of CAFTA relate to the policies of our Republican colleagues in the Congress and to the Bush administration because when we listen to people on both sides of the aisle, both sides of this issue, the proponents of CAFTA say the agreement will create jobs in the United States. The opponents say it will cost jobs. I believe that both are right. It will create some jobs in the United States, and we will lose many, many other jobs, in all probability many more.

So, if both are true, the question is, what are we doing as a country to take care of those people who lose their jobs as a result of CAFTA? The answer from this administration is nothing. The answer from this Republican Congress is nothing, nothing at all.

Because what we have done are tax cuts for the wealthiest people, major tax cuts in 2001, irresponsible tax cuts in 2003 that followed, and when we look around, look what the result is. Here it is.

We have turned budget surpluses to deficits as far as the eye can see. The International Monetary Fund says that American budget deficits are threats to global economic stability. Our growth is sluggish, stocks are flat, wages are stagnant. When we look at General Motors, \$1,500 of every automobile goes to health care, two-thirds of that to retirees who are not even making the vehicles. That is not true in Japan. It is not true in Canada. This is the year when Ontario will go past Michigan in North America as the place where most automobiles are manufactured. The U.S. cannot compete in this kind of playing field because it is not level.

So if we look at the Bush administration and the Republicans in Congress, what are they doing for people who get laid off as a result of CAFTA, as they surely will be? Well, the budget that was just passed by Congress cuts funds for job training, cuts funds for vocational education, cuts funds for adult education, community development, zeros out the section 7(a) loan program for the Small Business Administration.

So if you lose a job because of our trade policy, and you want to start your own business, the administration's answer is forget it, we want to take away the ability of the Small Business Administration to help you.

If we are going to keep America competitive in the 21st century, we have got to invest in emerging technologies to give us a competitive advantage. Green technologies that make automobiles, power plants and businesses more efficient and clean would be one key area.

Our economic strength basically depends on our investment in people, both people who are trying to get an education for the first time, people who are trying to get an education or job training to recover from a job loss, in industries that are cutting edge technologies for the future. This is not what we are doing here. So we do not have the comprehensive national plan to deal with job loss. The administration and the Republican Congress have just watched jobs fleeing overseas, and the response has been, ho hum, well, that is just the way the market operates.

Now, let us turn from that and look at the trade agreements themselves.

In CAFTA, because these are poor countries, we have got to have strong labor provisions. The labor in Central American countries have much weaker labor laws than we do. So a trade deal must include provisions to prevent companies from taking advantage of that gap by exploiting the lack of labor protections for workers in Central America. CAFTA fails this test hands down.

The agreement requires these countries to enforce their own laws rather than enforce internationally recognized worker rights. Yesterday, the gentleman from Michigan (Mr. LEVIN) released reports commissioned by the Department of Labor, which confirmed that laws in Central America do not adequately protect the right to organize in accordance with international labor standards.

The lack of enforceable standards is bad for workers in CAFTA countries trying to lift themselves out of poverty makes it very difficult to create a middle class in those countries, and it is bad for American workers and businesses who want to expand international markets without resorting to the exploitation of workers overseas.

CAFTA also fails the balance test on the environment. It is not balanced. It does not work. It creates incentives for American companies to move production to Central American countries where the environmental protections are weak and lack the proper enforceable mechanisms, and CAFTA does nothing to help.

When you look at those areas, labor and environmental issues, they are examples of where this agreement, CAFTA, tilts too far toward unmanaged, free markets, but there is one area where CAFTA tilts too heavily against free markets and against competition and that area is pharmaceuticals, no surprise.

The CAFTA agreement continues a dangerous trend of using trade policy to extend intellectual property protections that stifle generic drug competition and erect market barriers to affordable medicines. These provisions are bad for public health.

Generic drug competition is proven to lower prices and expand access. Several years ago when generic AIDS medications were introduced, it drove

the annual cost of treatment in developing countries from \$10,000 a year to \$300 a year, and no one can argue that that was not an important development. But CAFTA would delay generic entry for prescription drugs by forcing trading partners of the CAFTA countries to accept 5- to 10-years extension of what is called data exclusivity during which generic makers are denied access to patent holders' clinical data that could expedite regulatory approval of generic versions of drugs.

In other words, CAFTA gives a huge break to the brand name pharmaceutical industry at the expense of the generic pharmaceutical industry but, more importantly, the public health of people in Central America.

A year ago, the Guatemalan legislature changed its law to promote the availability of generic drugs in the Guatemalan market, and using CAFTA as a weapon, the United States has forced the Guatemalan legislature to repeal that legislation. In other words, we have done something for the pharmaceutical industry by forcing Guatemala to change its laws and for no benefit to anyone else in America.

So the bottom line is CAFTA does not work for the Central American workers. CAFTA does not work for American workers or American businesses. It needs to be voted down, and I want to thank the gentleman from Maine for holding this Special Order tonight.

Mr. MICHAUD. Mr. Speaker, I thank the gentleman from Maine (Mr. ALLEN). I do want to thank him especially for his leadership when we deal with prescription drugs. He has definitely been a leader in that area. I want to thank him very much.

Mr. Speaker, now I yield to the gentleman from New York (Mr. CROWLEY), a good friend.

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Mr. CROWLEY. Mr. Speaker, I thank the gentleman from Maine (Mr. MICHAUD) for holding this Special Order, and I thank my other "Maine man," the gentleman from Maine (Mr. ALLEN). I like to call them my "Maine men," but they have been outstanding in their efforts to highlight what is wrong with this free trade bill. I just really want to thank, in particular, as I just said, the gentleman from Maine (Mr. MICHAUD) for organizing this Special Order this evening.

I have been a strong supporter of trade, and as many of my colleagues know, I have been an outspoken leader on the Democratic side of the aisle during the past two trade agreements which passed with the support of a Democratic majority, those two trade agreements being the Australia Free Trade Agreement and the Moroccan Free Trade Agreement. And I happily helped pass those agreements here on the floor of the House of Representatives.

As I have spoken about free trade agreements in the past, I have always

been clear that I look at each free trade agreement on its individual merits. Since the USTR began negotiations in January of 2003, I have closely followed the negotiations leading up to the signing of CAFTA in August of last year. In my experience, this has not been the norm for this administration. Usually, after negotiations have concluded, they make a very strong push for passage within an average of 55 days. It is now May 4. While the target date for a vote on the floor is said to be before Memorial Day recess, I seriously doubt the Republican leadership will bring up this bill when they know they do not have the votes to pass it.

Like many of my colleagues, both Democrats and Republicans in the House, I remain concerned about many of the provisions contained in this agreement. I hope now that we have Mr. Portman as our new UST representative, he will take into account the strong views my colleagues have on free and fair trade.

This agreement weakens workers' rights and environmental standards in six countries, but it also does not take into account the rising trade imbalance that our country faces globally. Instead of pushing free trade agreements down the throat of Congress, the President should start to work on lowering the enormous deficits that he has created for our country.

Our country needs to create the next sector of our economy so we can finally stop the joblessness and work towards job creation. Our workers are not only being killed by high prices at the gas pump but also in our general living expenses. Wages continue to go down as the cost of living continues to skyrocket.

In my colleague's own home State of Maine, paper mills have closed and shoe and apparel manufacturing is all but eliminated because of free trade. While it is good to say that the next generation of jobs will be of higher value and will raise the wages of employees of the future, I am sympathetic to a lot of my friends in rural America who say they just do not see it.

My wife, Casey's, family is from Montana, and they do not see it either. They do not see it when the administration continues to fight country-of-origin labeling for meats. The administration allows Canadian soft wood lumber to flood our market and other anti-worker proposals of this administration. It is time for this administration to focus on how they can end the middle-class squeeze and bring prosperity back to our working class.

While I have the floor, I would like to discuss an article that appeared in today's Congress Daily, which I read this morning. In the article, one source said that Democrats, specifically my fellow new Democrats, and I quote, "are sewing the seeds of our own irrelevance." I take offense to that comment. We clearly see that we are relevant. We are very relevant. If we were not, do you think the Republican leadership would

still be waiting to bring this agreement to the floor?

This late push by the administration to try to win over pro-trade Democrats has lacked any real compromise. Unfortunately, I cannot be there for the CAFTA agreement in its current form, but my sincere hope is it can be renegotiated to meet the requirements of free, fair and balanced trade; fair to the people of the Dominican Republic and Central America that raises their wages and their standard of living; but, more importantly, fair to the people of the United States who feel that they are competing in a world economy where the odds are just simply stacked up against them.

Once again, Mr. Speaker, I want to thank my colleague, the gentleman from Maine (Mr. MICHAUD), for holding this Special Order this evening.

Mr. MICHAUD. Mr. Speaker, I want to thank the gentleman from New York, and I really appreciate his efforts in this manner and look forward to working with the gentleman to make sure we do have fair trade agreements.

In closing, Mr. Speaker, it does not take a trade expert to see the economic mismatch between the United States and the nations that make up the Central America Free Trade Agreement: Honduras, Costa Rica, Nicaragua, Guatemala, and El Salvador. The way CAFTA proponents talk, you would think that Central America is made up of the biggest economies in the Western Hemisphere. CAFTA nations are not only among the world's poorest countries; they are among the smallest economies as well.

Think about this, as the gentleman from Massachusetts (Mr. LYNCH) mentioned earlier: the combined purchasing power of CAFTA nations is almost identical to the purchasing power of New Haven, Connecticut. The U.S. economy, with \$10 trillion of GDP in 2002, is 170 times larger than the economies of the CAFTA nations, at about \$62 billion combined. So where are the economic opportunities for American industry and American workers?

These kinds of questions are clearly giving people pause. Congress typically votes on trade agreements within 55 days after President Bush has signed a trade agreement, but May 28 will mark the 1-year anniversary of when the President signed CAFTA. Why the long holdup? Clearly, there is dissension in the ranks and people are wondering why we need to make this deal. And for good reason. CAFTA is a dysfunctional cousin of NAFTA, continuing a legacy of failing trade policies.

Look at NAFTA's record, with 1 million U.S. manufacturing jobs lost. NAFTA did nothing for the Mexican workers as promised. They continue to earn just over \$1 a day while living in poverty, not exactly an exploding market for the U.S. products either. And yet the United States continues to push for more of the same, more trade

agreements that ship U.S. jobs overseas, more trade agreements that neglect environmental standards, more trade agreements that keep foreign workers in poverty.

For U.S. workers, the only difference between CAFTA and NAFTA is the first letter. It adds up all the same: more lost jobs. CAFTA is not about a robust market for the export of American goods; it is about outsourcing and accessing cheap labor markets. Trade pacts like NAFTA and CAFTA enable companies to exploit cheap labor in other countries, then import their products back to the United States under unfavorable terms.

CAFTA will do nothing to stop the bleeding of manufacturing jobs in the United States and even less to create strong Central American consumer markets for American goods. Throughout the developing world, workers do not share the wealth they create. Nike workers in Vietnam cannot afford the shoes that they make. Disney workers in Costa Rica cannot buy the toys for their children. Motorola workers in Malaysia are unable to purchase cell phones.

Mr. Speaker, we have a historic opportunity before us to empower workers in developing countries. We have a historic opportunity before us to bolster our economy. When the world's poorest people can buy American products rather than just make them, then we will know that our trade policies are finally working.

Mr. Speaker, there are reasons why not only environmental and labor groups but also business organizations such as the United States Business and Industry Council, a leading group representing American businesses, have taken a firm stance against this trade agreement. It is because it is unfair.

I believe in free trade, but it has to be fair trade. We can no longer continue to allow jobs in the United States to be exported overseas when we have a need here in this country. As I stated earlier, in my own region in the State of Maine, the labor market area has risen over the last 2 years to, at certain times, over 30 percent. Over 30 percent of people unemployed because of that market.

So, Mr. Speaker, I hope my colleagues will join me in opposing the CAFTA trade agreement. It is unfair, unneeded, and hopefully it will not pass.

THE U.S. ECONOMY

The SPEAKER pro tempore (Mr. WESTMORELAND). Under the Speaker's announced policy of January 4, 2005, the gentleman from New Mexico (Mr. PEARCE) is recognized for 60 minutes.

Mr. PEARCE. Mr. Speaker, I appreciate the opportunity to address this body this evening. I would like to visit just a little about the economy and the ways that I see it, the ways that I think we have to evaluate it, and the things we have to be concerned about if

we are to really consider those options that lie before us over the next 10 to 20 years. What lies at stake for our children? What kind of a future are we going to leave for them?

Right now, we are in the period where decisions are going to change the history of the American economy, and we simply need to be educated and need to be aware of that. Usually, I like to draw on an easel and discuss with numbers where we can put things into context, and so I will do that, Mr. Speaker.

The first number that I would like to put up on the board is the 2.5. That is approximately the size of the government's spending, the size of the American budget. All the things we know about are included in that number. And it begins to be a focal point, because if we are to consider the relative state of our economy, we do the same thing that Americans do in their personal finances. We simply talk about how much we are spending, and 2.5 is a good approximation for what this economy spends, what this government spends to sustain all of its operations.

But just as anyone else would, if you were considering whether or not the expenditures that you make are satisfactory, whether they are too low or too high, you also have to consider the revenues that compare to that. So now we have the revenue figure, and that is about \$11 trillion. Our economy total is about \$11 trillion, and we in the government spend about \$2.5 trillion.

Now, that is an extremely important relationship, and it is the relationship that tells us more than the actual numbers. There are people who say that our budget is too large. There are some who say it is too small. But the truth is that to really accurately assess, we have to understand the relationship between them. And simply by doing the division, we are able to then establish that right now our government spending is about 23 percent. That would be .23 of our overall economy.

Now, then, this .23 is an awfully important number in the relationship. People want to know what does it mean. It means the same thing as if you were to consider your personal spending. If your spending is too high a percent of your annual income, then you are not able to meet all your needs. If we are considering in your personal budget that your rent maybe is 25 or 30 percent of your annual income, then that would tell you that you are satisfied with the size of the rent in that relationship.

But this particular relationship, the .23, has to be put into a global perspective but also into a historical perspective. What we find as economists is that as the number, the .23, grows and gets larger, then the economy tends to want to stagnate. If that number is smaller, then the economy has vitality. It has the capability to grow. And that tells us the next piece of what we need to understand, which is that relation-

ship between government spending and our overall economy. Is it growing, is it getting larger, or is it getting smaller? And that tells us what we can forecast for the future.

So we will simply put arrows up here, and we will write the words. We will put an up arrow if it increases, it stagnates. And so if it then decreases, we have the capability to grow. Now, as we understand that relationship, up as a percent, if our government spending increases as a percent of our gross economy, we tend towards stagnation and nonproduction of jobs. If it becomes smaller, we tend to have growth and vitality.

Now, there are many good people who asked me in my district a couple of years ago why we would pass tax cuts at a point when we are running deficits. And that is a very good question. The truth lies exactly in that number. At the point we gave the tax cuts, the number was about .25. We gave the tax cuts, and it shrunk to about .21; and we saw that the economy, in the very first quarter after we gave the tax cuts, jumped to about an 8.25 percent rate of growth.

Now, we knew that was not going to sustain itself. There was pent-up demand with the expectation we would pass the tax cuts. But what we did expect when we passed it was to get to 3.5 or 4 percent. And we saw that rate of growth initially jump up to 8.25, maybe a little higher; and then it came back down, and it sustains itself now at about the 3 to 4 percent range, which we really expected that we would be able to achieve.

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Now, it is not magic, it is simply the fact that if you are taking more money from taxpayers and giving it to government, they have less money to invest in plant and equipment, less money to spend on disposal retail items, and so your economy has that dampening effect than if you collect more in taxes. It is a simple theme.

If you think about world examples, we could go to Europe and look at Germany. If America is in the 0.23 range right now, which it is, we ask, What about Germany? Where is Germany? Germany's relationship is 0.52. If the theory holds correct, you would say the German economy is probably more stagnant at 0.52 than the U.S. economy at 0.23, and the truth is Germany has not produced a job in about 10 years. Their growth is stagnant. They have an economy where companies are trying to figure a way to go somewhere else and find the growth and the vitality that they are looking for. And in truth, about 2 weeks ago in this great Capitol we met with about 50 or 60 foreign business owners, CEOs of corporations that are operating here in America because they choose the economic climate here. It does not mean that everything is good and rosy with us because we have budget pressures. As we look today, we have budget pressures that are trying