airplane in the inventory that is projected that will compete with the SU–30 and SU–37.

To give my colleagues a comparison, Admiral Stockdale was flying an A–4 Skyhawk. At the time it was not a bad airplane, but they did not have the new PH or the P–408 engines, which is more powerful. And they loaded bombs on that little Skyhawk and it made it real cumbersome flying. I was lucky enough to fly Phantoms and some F–8s and other airplanes like the Thud and so on, but those little A–4 Skyhawks were pretty vulnerable.

Admiral Stockdale was shot down in 1965 before they each had surface-to-air missiles in Vietnam, he was shot down by Triple A, and those airplanes were slow and cumbersome. That is why we do not want our men and women flying airplanes that are not the best or driving Humvees that are not armored or other things, because if you look at the history of the past, like Admiral Stockdale and JOHN MCCAIN and Jeremiah Denton and all the others, that they were shot down, and not because they had necessarily inferior equipment, but not the best equipment. That is what we want to make sure of today, that our men and women who are serving overseas, as the chairman of the authorization defense committee, the gentleman from California (Mr. HUNTER) has dedicated his life. His son was in the Marine Corps and served I think twice in Iraq.

Mr. HUNTER. Mr. Speaker, I know that my son would like to remind the gentleman that it was a Marine pilot who rescued you when you went down.

But there is another point to American air power, and I think American air power in the future, and that is something that one of our real giants, the gentleman from Illinois (Mr. HYDE), brought up, along with the gentleman from California (Mr. LANTOS), was this provision that we just passed, that just passed the House in his amendment to his bill, which gives the President leverage against Western countries, European countries, our allies who would sell military technology to China. Because there is a possibility that at some point in the future we may be in a conflict with China, and I think it would be a terrible thing if we saw any type of technology that gives them the ability to acquire American aircraft on a radar screen or to launch weaponry or munitions at that aircraft, or to have in their own aircraft, I would hate to see American stealth capability and technology.

Mr. CUNNINGHAM. Mr. Speaker, China is building the SU–30, which beats our American airplanes, our best F–14s, F–15s, F–16s, and F–18s, 90 percent of the time. It is an opportunity, but it is also a potential threat.

Mr. HUNTER. Mr. Speaker, I just would like to end by saying I think one way we can remember Admiral Stockdale is to keep our country strong and be faithful to those who served, including Admiral Stockdale.

MEMBERS OF CONGRESS AGAINST CAFTA

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

Mr. BROWN of Ohio. Mr. Speaker, tonight is an unusual, if not unprecedented, special order. It is one that I think that the country will appreciate and I think our colleagues in this Congress will appreciate it; one where we have brought at least a half dozen, and more will join us, Members of Congress of both parties to this Chamber in opposition to the Central American Free Trade Agreement. I am joined by the gentleman from North Carolina (Mr. JONES), the gentleman from Alabama (Mr. DAVIS), the gentleman from Virginia (Mr. GOODE), and the gentleman from Idaho (Mr. OTTER). There are five of us here now two Democrats, three Republicans, and I know a number of Members will join us later.

We are joined together because we believe the Central American Free Trade Agreement is not in the best interests of our Nation. We have seen that for a dozen years our trade policy has simply not worked for the American people, it has not worked for rural, family farmers in Alabama, it has not worked for workers in Idaho, in Virginia, in North Carolina, and in my State of Ohio.

Before turning to the gentleman from North Carolina (Mr. JONES), and I think people will just kind of join in a conversation here, I want to just point to a series of numbers that really does illustrate why we, as Republicans and Democrats, as people that represent small manufacturers and family farmers and family ranchers and labor unions and environmentalists and religious leaders, and people of faith and all of that, why we oppose it. We can just look at what has happened to our country's trade deficit in the last 12 years.

The year I ran for Congress the first time in 1992 and was elected, we had in our country a trade deficit of $38 billion. That meant, in those days, a trade deficit of $38 billion meant that we imported $38 billion more than we exported. A dozen years later, our trade deficit has grown to $618 billion; from $38 billion to $618 billion in just a dozen years. That translates clearly into lost jobs. It translates into lost textile jobs in Mr. JONES' State, it translates in the lost auto and steel and other jobs in my State. In the last 5 years alone, we have seen somewhere between 2.5 and 3 million manufacturing jobs lost, not entirely because of trade agreements, but in large part because of trade agreements.

That is why all of us say we want to trade with Central America, we want to pass a Central American Free Trade Agreement, but not one that is written and negotiated by a select few for a select few. We want a trade agreement that all of us can support, that ranchers and small farmers and environmentalists and labor unions and small manufacturers and small businesses, that all of us can come together and support. That is really why we are here tonight as a group of Members of Congress from both parties.

I would like to turn it over to the gentleman from North Carolina (Mr. JONES), who has helped lead this operation in opposition to the CAFTA.

Mr. JONES of North Carolina. Mr. Speaker, I thank the gentleman from Ohio, and I also am delighted to be here in a bipartisan way to do what is right for the American people.

I want to take just a few minutes to talk about my State of North Carolina. We all come from Virginia, from Idaho, from Alabama, from Ohio, and many other States, and there will be others that will be coming here tonight to speak, as the gentleman from Ohio mentioned. I do not know how America can work unless we come together, and certainly one of the major issues is trying to save jobs in America.

I want to go back very briefly to NAFTA. NAFTA was passed in 1992. I was not here. It was implemented in 1993. In my State of North Carolina, because of NAFTA, we have lost over 200,000 manufacturing jobs. In the Nation we have lost more than 2.5 million jobs. That is just because of NAFTA.

And what in the world are we going to do with CAFTA? CAFTA is nothing but a cousin to NAFTA, and NAFTA itself is not well. It is kind of like somebody being sick. NAFTA is sick because it has done nothing to help Americans in this country, and it did nothing to help the Mexicans stay down in Mexico and make a good living wage with benefits so they would not want to come across the border. They are coming across the border now between 8,000 and 10,000 a week.

I want to also say about CAFTA, you cannot have fair trade if both countries do not benefit. Those people that want to have CAFTA to become the law of the land, in my opinion, I say to the gentleman from Ohio (Mr. BROWN), the word is greed. Greed. You cannot help the American people unless you treat our workers fairly, help them maintain their jobs, and not see their jobs sent overseas.

Before yielding, I want to show just two charts to my friends here on the floor. This happened in North Carolina in 2003 and it says, ''Pillowtex Goes Bust, Erasing 6,450 Jobs.'' This happened in one day's announcement, 6,450 jobs lost, gone. The subtitle says, ''Five North Carolina Plants Closing in Largest Single Job Loss in State's History.''

I want to share another blow-up of a news article with my friends on the floor. This is from the Wilson Daily Times. This is a county that Congressman G.K. BUTTERFIELD and I share together, it is a split county. And it says, this is about 3 months ago, ''VF Jeanswear Closes Plant, Last 445 Jobs

Gone By Next Summer.'' The two ladies down here at the bottom named Brenda Webb and Shivan Battle, will not be able to chitchat in the parking lot of VF Jeanswear next year when the plant closes. People were actually crying when this announcement was made. They are losing their jobs and their benefits and their hopes and their dreams.

So, Mr. Speaker, I want to say to my friends here tonight on the floor that I look forward to working with my colleagues day in and day out. If CAFTA does come to the floor, hopefully we will be able to defeat it. We have a strong support of Republicans, probably 25 to 30, and I do not think the gentleman from Ohio (Mr. BROWN) would bend under any circumstances, and I want to thank the gentleman for being the leader he has been. I look forward to continuing to work with the gentleman, and let us do what is right for America and the American people.

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman for his leadership, working with both parties in opposition to this agreement.

I yield to my friend, the gentleman from Alabama (Mr. DAVIS), who is still a relatively new Member of this body, has taken a leadership role in all kinds of development issues and business issues and understands this agreement from a bit of a different perspective, but clearly gets it.

□ 2015

Mr. DAVIS of Alabama. Mr. Speaker, I thank the gentleman for yielding. I thank him for his thoughtfulness and for his leadership on this issue over the better part of a decade now.

And I thank the gentleman from North Carolina (Mr. JONES) for his bipartisanship and his thoughtful approach.

I would say to the gentleman from Ohio (Mr. BROWN), one of the things that strikes me about this debate is when I tell many people in the business community, I tell some of our editorial writers that I am firmly opposed to this agreement, there is a regular refrain that they have. They say to me, Mr. DAVIS, why are you against globalization? And they say, why are you against trade? And it strikes me that that is such an enormously false way to frame this argument. To say that someone is against globalization if they oppose this treaty is a real misstatement of what we are debating and what we will be voting on 1 week from now, and I want to talk about that for a moment.

There are some of us in this Chamber who have voted for every trade agreement that we have seen since we have been here. I voted for agreements with Australia, with Morocco, with Chile, with Singapore. I am someone who firmly believes in this modern economy that we cannot disengage ourselves from the rest of the world; and I, by no means, subscribe to the label of being anti-trade or being anti-globalization. But I think that there is another way. There is a possibility if we are thoughtful enough and serious enough about this economy and our obligations to build a trade policy that actually prods countries around this world to change. There is a possibility of building a trade policy that elevates conditions around the world.

And I would submit that there are two kinds of trade policies. There is one set of policies that challenges the rest of the world to rise to a higher standard, and there is another set of trade policies that takes the world as it is and does not seek to move, does not seek to bend it, does not seek to change it.

And I and so many of us believe in the first kind. I believe in a set of principles that say that we can use our trade as we occasionally use our economic might, as we occasionally use our political might to improve conditions. The reality is that if this agreement is somehow passed next week, despite the great opposition to it, it will open up a new low-wage market, and it will say to five countries in Central American and to the Dominican Republic that your low-wage conditions, your failure to protect your workers, your failure to protect your women from discrimination laws, your failure to prevent children from working, is acceptable in the community of nations, it is acceptable in the economic community of nations.

And I remember, as the gentleman from Ohio does, when President Bush gave his second inaugural just a few months ago. Most of that inaugural was devoted to the proposition that, as a superpower, we have an ability to change the character of this world. Much of that inaugural was dedicated to the idea that, as a superpower, we have the ability to challenge this world and the most repressive countries in this world to move in a better direction.

Here we stand, just 7 months later; and that challenge is not being posed to the House, not by the administration. That challenge is not being posed to us. And all of a sudden the same President who told us 7 months ago that we have in our power to move this world toward reform, apparently does not believe that we can do so when it comes to the dollars and cents that people earn every day, apparently does not think that we can do so when it comes to the quality of community the people live in every day around the world.

There is a very cruel argument that I have heard in the last several days I want to mention to you. I have heard it said that if you do not support CAFTA that somehow you are not standing by the countries of Central America. I have heard it said that if you do not support CAFTA that you are somehow abandoning these poor miserable nations and that you are somehow leaving them to just be cut adrift.

What I do not understand is how we can say that we are standing by the CAFTA countries when we are not standing by millions of children, 14 million in the whole region who are between 5 and 14 who got up and went to work this morning and who are being put in bed tonight and will go back to work tomorrow morning. I do not understand how we can say that we are somehow standing by Central America when we cannot stand by the rights of women in these countries.

I do not understand how we can say that we are standing by Central America when we cannot stand for the rights of the voiceless and those who work and want to express their political beliefs or their desire for better conditions in the workplace and can be fired because of those opinions.

I do not see how we can say that we are standing by Central America when we are leaving it unchallenged to change itself. That is what this debate is about. This is about, to use a word that is used on both sides of this aisle very freely, this is a debate about values because I define values as what we demand from others, what we demand from ourselves and the vision that we offer to others.

This agreement offers such a narrow vision. It offers such a limited notion of what our economy can be. It tells us that we can roll back our trade deficit on the backs of unskilled workers around the world. It tells us that we can somehow improve certain industries and the profits of certain industries by diverting them to low-wage economies. And it somehow says that we can trade off the fortunes of our people and the fortunes of other people interchangeably without any higher standard to lift them both.

Another point that I want to address, so many of the editorials that I have seen on this issue have a certain bloodless quality to them because they say if you believe in globalization, yes, you have to accept that there are winners and losers, and there will be more winners than losers, and the losers simply have to get over it. They simply have to adjust.

Well, like the gentleman from North Carolina (Mr. JONES), I represent some of the towns in west Alabama that are full of some of the people who will lose, families who today are working in textile companies, apparel companies, hosiery companies, who may not be able to work there if this agreement puts a set of forces in place. And I do not think of those people as being losers. I think of them as being families who are struggling to build a future for their families. I think of them as being people who want their kids to be able to come back and work in west Alabama. I think of them as being people who desperately want a better life for themselves and their children and their grandchildren. And I think that we should keep this in mind as I begin to close today.

How do we promote and defend a vision to the American people that concedes that so many of us will be losers?

How do we promote and defend a vision and a set of values that accepts that so many of our people will be left to fall behind under the trends of this agreement we set in place, and that so many people in Central America will be left in their substandard condition?

There is no wonder why this agreement is struggling to pass Congress. There is no wonder why, if almost any of us went back to our States, we would find either a mystery or we would find out right confusion around CAFTA. The reason the case has not been made is because the American people are tired of being denominated and delineated into winners and losers. They are tired of being told that you may lose, but you have to get over it. And that is the final point at stake here today.

Can we build a trade vision which offers a better way for so many workers in our country? Because it is not enough to simply say that, well, there are these abstract benefits that are off in the distance. We have to be able to talk to people in the gentleman from Ohio's (Mr. BROWN) district and my district and the gentleman from Idaho's (Mr. OTTER) district and the gentleman from North Carolina's (Mr. JONES) district and the gentleman from Virginia's (Mr. GOODE) district.

We have to be able to talk to them and say here is why your Congress is doing this. And right now we could not justify it. Right now we could not say to them that these agreements will create a higher standard of living in America or abroad. Right now we could not say that these conditions will meet the American test of reforming the world for the better. We simply cannot make the case. The administration cannot make the case.

So in closing I simply call on my colleagues tonight, 1 week from now, or 1 week and 1 day from now when we, in all likelihood, vote on this agreement, to vote on their principles, to vote for trade that has values lying beneath it, to vote for a vision of how we can reform the economies of the world, and not to accept this limited vision.

And I am reminded so often of something that William Jefferson Clinton who was elected the same year that the gentleman from Ohio (Mr. BROWN) was to Congress. He often said that he was so tired of what was cold blooded being passed off as courageous in politics.

I fear that our indifference to the fortunes of the people who live in these countries, our failure to prod their governments toward reform looks a lot like that cold bloodedness that President Clinton was talking about. And it is so wrong for the editorial boards, so wrong for so many lobbyists in this city to say that that cold bloodedness is really courage. It is not courageous, and it will not be courageous to take your voter card and to stand on the floor in the well of this House next week and to vote for an agreement that is so empty and so vacant of values.

I thank the gentleman from Ohio for his good work. I thank our Republican colleagues who are here tonight for joining us in that bipartisan cause and thank them and hope the American people recognize that this is a critical vote, because it is a statement of what kind of community we are and how we exist in the international community of nations.

Mr. BROWN of Ohio. I thank the gentleman from Alabama (Mr. DAVIS). The gentleman's comments about when people almost always dismiss us, say why are you against trade, why are you against globalization, I think you made the case very well that we want to increase trade, but we want to do it in a way that lifts people up, those children in Central America who have no real protections, that go to work as children, not as young adults, but as children, that we could in fact use these trade agreements to improve living standards to respect American workers and American farmers and improve living standards in a developing world.

But this trade agreement, because it was so narrowly constructed, written by a select few for a select few, obviously falls short. And I dream of a day when all of us can vote for a trade agreement, that we can get 350, 400 votes here, a trade agreement that really does lift workers up in the developing world while preserving and enhancing our standard of living and respecting workers in this country. There is simply no reason we cannot do that, as you suggest.

Mr. Speaker, I yield to the gentleman from Idaho (Mr. OTTER), who has said particularly interesting things about the issues of sovereignty and what that means with both Central American countries and the Dominican Republic and with the United States.

(Mr. OTTER asked and was given permission to revise and extend his remarks.)

Mr. OTTER. I thank the gentleman for yielding the time.

Mr. Speaker, I thank the gentleman from Ohio (Mr. BROWN) for his leadership on this effort. It has often been said in the past that all that needs to happen for good government to go bad is for good people to do nothing. And I want to congratulate the gentleman on the goodness that he is doing tonight in organizing this effort to bring to the American people the full blush and the full pain that CAFTA would really offer us.

It has often been said and cheered throughout this world that we live in that the United States is the standard of living to be desired by everyone, to be cherished by everyone, the standard of living that is second to none in the world. And I think the gentleman from Alabama's (Mr. DAVIS) remarks relative to some of the globalization efforts that are so present in the CAFTA agreement is the one very reason that I am against it, because this globalization effort is a race to the bottom for the United States.

We have nothing to do but lose in this agreement. There is not one thing that we can gain because it is, as many have already said before me, it is a race to the bottom and it is a replay of NAFTA. And all you need to do is take a look at the chart up front, and I hope the cameras can give that some face time, C–SPAN can give that some face time, because it is important to look and see exactly what happened after we adopted NAFTA.

We were told in NAFTA in the early 1990s that we were going to have this tremendous explosion in exports from the United States to Mexico, and that we were going to be able to increase, at that time, what was a positive trade agreement with Mexico. Well, you can see exactly what has happened, starting in 1995. We continued to drop down, until today we are at roughly 40-some billion dollars in deficit trade with Mexico. And that is precisely what we are going to see happen with CAFTA.

Thomas Jefferson once said that he had but one lamp that illuminates his path into the future and that is the lamp of experience. I have no way to judge the future except by the past.

Well, if NAFTA is the judge, the measure that we have to judge ourselves by on our success and what we can expect from CAFTA, I can tell you folks, it is not near as bad. It is not near as bad as it is going to be.

□ 2030

CAFTA has some unique features all of its own. In his introduction, the gentleman from Ohio (Mr. BROWN) mentioned that I had a new twist on it relative to sovereignty. I just want every Member of this House, all 435 Members of this House, I want them to be prepared when they have to go home and explain to their folks at home exactly what they have done, for whatever amount of the 435 Members vote for CAFTA, and quite frankly, in selling down the drain the sovereignty of this country.

You see, under our CAFTA agreement, it is interesting that CAFTA is a pretty good size document. I am not going to lie to everybody and tell them that I have read the entire thing. But I tell you I have read the trade part and that was about 20 pages. The next almost thousand pages is international law. And the international law is what is going to prevail in any business agreement that we have with these five ''fledgling democracies'' under the CAFTA trade agreement.

Here is what happens. If I happen to sell something to, say, the Dominican Republic, if I happen to sell something to the Dominican Republic from one of my entrepreneurs in Idaho, and they get into a conflict of what the agreement was or in one way or another this has to be settled by a third party, here is exactly what happens under the CAFTA rules.

The Dominican Republic would submit the name of one arbiter. The United States would submit the name of one arbiter. And then here is the punch line, one of the other non-involved members of the CAFTA trade

agreement gets to submit a third arbiter. So now what we are going to have is two Caribbean Basin members and one United States member serving on a court of arbitration in order to solve this problem.

Now, if that does not happen what happens? If these folks cannot come to an agreement then what happens, if this tribunal cannot solve it? Then we go to the World Bank or we go to the United Nations to solve what is otherwise a business agreement.

Now it is interesting that the best place to be in this agreement is not in the United States. We are told constantly that we are going to be opening all of these countries up if we will just pass this trade agreement. We are not going to be having the duties and the quotas and everything that stops all of our goods from freely being imported into these other countries. Dead wrong.

Number one, there are a lot of duties and quotas that will go away but there are still quite a few that are going to last into the next 20 years, so we are still not going to be on a fair and equal trading level with the other members of CAFTA. But let us take a look at who put all of those duties and quotas in place.

In 1984 this Congress passed what is called the Caribbean Basin Initiative, and we said as long as you add 28 percent of the value to whatever good or whatever value added items that you have in these Caribbean Basin countries, you can come into the United States with those products without quotas and without duty and without fees. However, the United States did not have the same agreement going back, and so we have done this to ourselves; and yet now we are saying that we are going to try to clear all this up with CAFTA.

I agree with the gentleman from Ohio (Mr. BROWN). I agree with the gentleman from Alabama (Mr. DAVIS). I think what we ought to do is go back and repeal the Caribbean Basin Initiative and then start from the get-go. And then we can say something to them about their environmental concerns, our environmental concerns. Then we can say something to them about the unequal labor laws or labor practices in the relative countries. But as it stands now we simply do not have the opportunity to do that.

So there is one area that I would like to pay special emphasis to. I know a lot of people have said to me over the last couple of weeks, you are way overconcerned about the CAFTA agreement and what it is going to do to the sovereignty of the United States.

I say this to you, that I have stood here on this floor and I have watched every Member on this side of the House and many Members on the other side of the House that have voted against any attempt to take one of our warriors that is fighting for freedom in Iraq or Afghanistan or any foreign country, and any attempt to put them before any kind of a tribunal outside the United States we have resisted and correctly so. Yet these are the same people, a majority of which now is willing to offer up our economic warriors to international tribunals.

It seems terribly inconsistent to me that if it is correct to deny the courts, any foreign court to hold judgment over our soldiers, it ought to be the same way with our trade agreements. But anyway, I would direct everybody's attention to Article 10. Just read Article 10. Beyond its plain language we have now got hard evidence how the CAFTA tribunal system would work in real life and how it would create real advantages for foreign companies other than the United States, because a similar system was established in NAFTA and that is the one I would like to draw your attention to.

A case was brought under that system in Loewen v. The United States, and this has set a legal precedent that should scare us all. In that case a Canadian funeral home conglomerate named Loewen challenged the judgment of a Mississippi State court that ruled against it in a private contract dispute with a Biloxi, Mississippi funeral home. The only government action in question was the normal function of a State court in a private business dispute.

The Canadian company under NAFTA rules claimed that having to follow the standard rules of U.S. Civil Procedure in court, such as posting a bond, violated their NAFTA foreign investor rights. And the World Bank tribunal in that case ruled that the State court's normal operation was ''governmental action,'' and therefore regulated by NAFTA and that its conduct violated the Canadian conglomerate special NAFTA granted investor rights. It is just tenfold that bad in CAFTA.

So I would hope that if those who are watching, those who are sitting at home thinking that their folks in Congress are working in their best interest, I would hope that they would take the opportunity in the next week, which we should be voting on CAFTA next week, to call their Congressman and find out why they are voting away the sovereignty of the United States, the Constitution, and especially Article III of the United States Constitution.

Why are they voting to put that into foreigners' hands? Why are they taking away those great precious gifts that our Founding Fathers fought so hard for and worked so hard for? And now we seem to be in a rush to put once again for whatever reason another trade agreement called CAFTA ahead of the Constitution of the United States.

In closing, I would just say to the gentleman from Ohio (Mr. BROWN) again that I took a look at that first chart that he had up there that showed we had some $610 billion in trade deficit last year, $610 billion. Let us use the United States Department of Commerce's own figures. The United States Commerce Department constantly touts that for every billion dollars in foreign trade we will create 40,000 jobs. So if you just do simple mathematics and multiply that, you would see that that is 2.5 million jobs that we have lost since the inception of NAFTA.

I say again, CAFTA is the same song, second verse, just a little bit louder and a whole lot worse.

Mr. Speaker, I rise today to discuss another reason for my opposition to the Central American Free Agreement or CAFTA. What I would like to highlight today is that CAFTA establishes a double standard—greater rights are given to foreign investors operating within the United States than are provided by the U.S. Constitution for our own citizens and businesses.

The foreign investor protection provisions in CAFTA's Chapter 10 and the establishment of a separate ''court'' system available only to foreign investors form the core of this double standard. This aspect of CAFTA is called ''investor—state dispute resolution.'' It shifts decisions away from Congress and out of the Federal court system established by Article III of the Constitution, or even our State court systems, and into the authority of international tribunals—even though the dispute concerns activities and parties operating within the United States! Furthermore—and the U.S. Trade Representative's office is very careful NOT to mention this—CAFTA's Chapter 10 allows investors from the CAFTA nations operating in the United States to challenge U.S. laws in U.N. and World Bank tribunals!

Here's how it works:

CAFTA grants foreign investors from the CAFTA countries operating within the United States special rights set in international law but NOT in U.S. Constitutional law. CAFTA allows these foreign investors to use U.N. and World Bank tribunals to seek payment in U.S. taxpayer dollars for the losses caused by complying with the same domestic policies that apply to U.S. citizens and businesses.

These special rights are laid out in Article 10 of CAFTA, which contains the rules that will govern investment among parties to the agreement. Of key interest is Article 10.5. Here we read that CAFTA has a Minimum Standard of Treatment for foreign investors set forth by ''customary international law'' and established in ''principle legal systems of the world.''

So once again, the standard of review in these CAFTA Article 10 cases is not U.S. law but rather international law set in CAFTA. And furthermore, it is not a U.S. court that hears and settles these disputes occurring within the territory of the United States. Instead CAFTA Article 10.16.3 gives jurisdiction over these kind of disputes to international tribunals established under the auspices of the United Nations or World Bank!

So you have international tribunals judging whether foreign investors operating within the United States are being provided the proper rights and protections!

American investors here at home are not allowed to bring cases before this special CAFTA tribunal system. American companies and investors use the American court system while companies and investors from the Central America use the CAFTA tribunal system.

So CAFTA will give us two separate and unequal systems of justice: One for American investors and companies and another for Central American investors.

Some of my colleagues might say, ''Well, you've shown that there are two different systems here, but that doesn't mean there is inequality.'' Others might say, ''Butch, you're only blowing smoke here,'' or, ''It won't be so bad.'' To all those I say, ''Just read Article 10.'' Beyond its plain language, we have hard evidence of how this CAFTA tribunal system would work in real life and how it would create a real advantage for foreign companies operating within the United States.

A similar system was established by NAFTA. And a case was brought through that system, Loewen v. U.S., shows the threat that expansion of this system through CAFTA would entail. In that case, a Canadian funeral home conglomerate named Loewen challenged the judgment of a Mississippi State court that ruled against it in a private contract dispute with a Biloxi funeral home. The only government action in question was the normal function of a State court in a private business dispute. The Canadian company claimed that having to follow the standard rules of U.S. civil procedure—such as the posting of a bond—violated their NAFTA foreign investor rights.

The World Bank tribunal in the case ruled that the State court's normal operation was ''government action'' regulated by NAFTA and that its conduct violated the Canadian conglomerate's special NAFTA-granted investor rights! The United States only escaped paying hundreds of millions of dollars to the Canadian firm as a result of an error by a bankruptcy lawyer, who reincorporated the failing conglomerate as a U.S. corporation. That terminated the company's ''foreign'' investor status and led to a technical dismissal of the NAFTA claim.

Still—and this is the point—the substantive legal precedent has been established under NAFTA and would be expanded under CAFTA. Foreign investors don't have to follow the standard rules of U.S. civil procedure while U.S. citizens and companies must! Foreign investors don't have to accept as adequate the normal functions of a domestic court system, while U.S. citizens and companies do!

Even the prospect of such a fundamental change in our jurisprudence has prompted the Conference of State Supreme Court Chief Justices and the National Association of Attorneys General to oppose the so-called ''investor-state'' system's grant of rights that extend beyond U.S. law. In fact, Congress specifically included language in the 2002 Fast Track legislation to prevent the recurrence of this NAFTA problem in CAFTA. The Fast Track legislation required that future trade pacts grant to foreign investors—and I quote—''no greater substantive rights with respect to investment protections than U.S. investors in the United States'' and that. The law also requires that future agreements include ''standards for expropriation and compensation for expropriation, consistent with United States legal principles and practice'' as well as ''fair and equitable treatment [standards] consistent with United States legal principles and practice. . .''

Yet, although some words included in NAFTA's investor protection system were changed relative to CAFTA's provisions, CAFTA clearly fails Congress' test. Even worse, CAFTA goes beyond NAFTA and expands on what sorts of U.S. domestic decisions and actions are subject to compensation claims in international tribunals.

Here's what that means: When U.S. companies obtain mining, logging or other concessions on U.S. Federal lands their rights under U.S. law are determined in domestic courts. However, CAFTA will enable foreign investors with the identical contracts to take their disputes with the U.S. government to the U.N. and World Bank tribunals.

Mr. Speaker, the problems with CAFTA are manifest, and they are not by any means restricted to the areas of trade or even the broader context of economic policy. They would have a profound impact on the way Americans understand the rule of law, thereby undermining confidence in our government and our system of justice. For all these reasons, I urge my colleagues to join me in opposing this agreement.

I yield back the floor and I thank the gentleman from Ohio (Mr. BROWN) once again for his leadership.

Mr. BROWN of Ohio. I thank the gentleman very much. I think his point about sovereignty really strikes a chord with so many Americans.

As the gentleman suggested with what happened with the Loewen case in Mississippi with the Canadian lawsuit, a company in another country can sue the U.S. government or can sue the State of Idaho, or can sue the City of Akron, Ohio, and that corporation from another country can actually overturn by a CAFTA tribunal or a NAFTA tribal, can overturn a law that was democratically obtained, the Governor and the State legislature in Idaho enacted or that the Mayor Plusquellic in the City of Akron enacted or that the U.S. Congress enacted, that a corporation from another country, a private interest can come in and undo a democratically obtained rule or regulation, whether it is an environmental law or a public health law or what the gentleman is talking about in Mississippi with the funeral homes, a whole host of issues that we in this body certainly make wrong decisions, but they are democratically attained rules and regulations that State legislatures, city council, county commissioners, Congress does and they should stand unless a court of law in our own country strikes them down as unconstitutional. But a company in another country should not be allowed to come in and undercut what we think are important public health laws or other laws in our Nation.

Mr. OTTER. The comments of the gentleman from Ohio (Mr. BROWN) jarred loose one of the comments that I did not make in my informal remarks but I do have written in my formal remarks. But for those people once again that are listening at home I would just like to tell them that under Chapter 10 in CAFTA you can expect any Federal law that we make in the future, that we pass in the future, any State law that is presently in existence or that we pass in the future, any local law that presently is in existence or that we pass in the future, we are going to have to conform with the CAFTA statute at minimum, because without doing so then we are going to be in violation once again of our CAFTA agreement. And once again we are turning our future, our economic future, our trading future over to the World Bank and to the United Nations.

I thank the gentleman for helping me make that point.

Mr. BROWN of Ohio. That was very well said. An example is if in my City of Lorain, Ohio, if the city council would say that if police cars that the City of Lorain were buying, if they passed a law, had to be cars made in Lorain County, Ohio, we make cars in that county, that a CAFTA or NAFTA tribunal, a company in another country, one of the other governments could sue saying that is an unfair trade practice. You have to open it up under bid for any other government or any other country or any other company outside that county.

I mean, a buy America law, a buy Idaho law, a buy Ohio law, whatever you might want to pass could easily be struck down by one of these CAFTA or NAFTA tribunals.

We are joined today by the gentleman from Virginia (Mr. GOODE), who has also been a long time advocate for sovereignty issues and for workers in this country and for fair trade instead of the free trade problems that this country has gotten into in the last decade or so. I thank him for joining us.

Mr. GOODE. I thank the gentleman from Ohio (Mr. BROWN), and I want to thank him for his steadfast diligence on this issue. I want to thank the gentleman from North Carolina (Mr. JONES) who spoke previously, the gentleman from Idaho (Mr. OTTER), and the gentleman from Alabama (Mr. DAVIS) for being here tonight during this hour to address what I think is one of the most important issues to come before the 109th Congress.

Before we began this special order on CAFTA, the gentleman from California (Mr. HUNTER) and the gentleman from California (Mr. CUNNINGHAM) told about Admiral Stockdale and his heroics during the Vietnam War. That brought to mind what Admiral Stockdale and Mr. Ross Perot were saying in 1992.

Though the two major party candidates, Bush and Clinton, were supporters of NAFTA, they said that NAFTA would create a giant sucking sound of the jobs going out of this country. And I will have to say on that issue, time has certainly proven Ross Perot and Jim Stockdale correct. And I only have to tell about the situation in the county adjacent to my home county.

Martinsville and Henry County had more manufacturing jobs on a per capita basis than any jurisdiction in the Commonwealth of Virginia. That was known as the sweatshirt capital of the world. Tultex sweatshirts were all over this country and all over the world. Pluma was another textile manufacture. Sara Lee was there. Those jobs

and those companies are all gone. Tultex went out of business. Pluma went out of business.

I will never forget the Chamber of Commerce there in Martinsville, in Henry County in the early 1990s when my predecessor was there and the questions came about NAFTA. Would the jobs still remain in the United States of America? And the speakers there and the proponent of NAFTA said, oh, yes, only a few low-end manufacturing jobs will be going to Mexico.

□ 2045

And Sara Lee had in the thousands, manufacturing jobs in Martinsville and Henry County. Those jobs went away pretty fast, and they went south. There are a few distribution jobs left there with Sara Lee. Our unemployment went over 20 percent for a time, fell down to 16 percent not too long ago; and, thankfully, it is slightly above 10 percent now. At least it is heading in the right direction.

So to those who say that CAFTA, which as the gentleman from Idaho (Mr. OTTER) so correctly pointed out is simply a NAFTA cousin, is going to bring us a lot of manufacturing jobs and prosperity, I say beware. Do not forget those who gave the warnings about NAFTA. When NAFTA was passed, they were saying we will be bringing more into this country. And the gentleman from Idaho (Mr. OTTER) and the gentleman from Ohio (Mr. BROWN) have shown us how the trade deficit with Mexico has soared. If we adopt CAFTA, that trade deficit with Nicaragua, El Salvador, Honduras, Costa Rica, and the Dominican Republic will be heading in the same direction with NAFTA.

Now, I heard proponents of CAFTA say, we have got to get in the economic barrel with those in Central America and Mexico so we can counteract China; let us pass CAFTA so we can counteract the huge trade deficit that we have with China. And I can remember those who spoke around this country on behalf of Permanent Normal Trade Relations and Most Favored Nation trade status with China, saying how great that was going to be for the United States and jobs in this country. The trade deficit with China is way over $100 billion and rocking on towards $150 billion.

I say the answer to the trade deficit with China is not CAFTA; the answer is let us renegotiate. Let us take a look at PNTR and reevaluate that. Let us attack the problem where it is, not create another situation like NAFTA that could result in even a greater deficit with those countries.

I have heard, pass CAFTA because it will help stem the flow of illegal immigration from Central America. Well, let me say this. Take a look at NAFTA. Illegal immigration was a problem in the early 1990s, but it is a monstrous problem now. NAFTA has not solved the constant flow of illegals across the Mexican border into the United States.

So do not be sold off on an argument about passing CAFTA and that will reduce the flow from Central America.

I submit that the greater interaction between the entities in South America and the United States will result in more illegal immigration, not less; and all we have to do is look at the NAFTA model.

Lastly, I want to make a few comments about globalization of our world economy. I believe in trade, but I think trade has to be done with hard-nosed negotiation on the part of the United States with individual countries and with regions of the world. And it has to be focused on trade. You have to focus on individual items. It is nuts and bolts work.

When we have an agreement like CAFTA, when there is an agreement like NAFTA, when there is an agreement like PNTR with China that has a whole lot in it besides trade, I say be wary. Some of the richest people in this world are in this country, and some of them are supporters of CAFTA. They were supporters of NAFTA and PNTR with China. They say if we have a one-world globalized economy how great it is going to be for the United States.

Let me say one thing. We are not gaining in manufacturing in this country. China is the big gainer of manufacturing in the world. It is not this country. Other countries are rapidly catching up. We are the premier country in the world now. We are able to protect our citizens. We are able to give a land of opportunity to so many, the richest people in the world, the Warren Buffets and the Bill Gateses of the world. I salute them for their work and their business acumen. They have done well. That is the American Dream: work hard and this is the land of opportunity.

Well, let me tell my colleagues what can happen. If we go down this globalized route, which, as the gentleman from Idaho (Mr. OTTER) said, is a rush to the bottom, if the United States is not the premier country in the world, we will see a lot of persons in this world go from a Bill Gates or Warren Buffet status to the poor house mighty quick if China or Russia or the Arab nations in the Middle East take over the number one position in the world.

I am thankful the United States is number one. I want us to be always number one. But these trade agreements do not enhance that status. They hurt us. And I ask that when CAFTA comes up that my colleagues vote for America and vote ''no'' on CAFTA.

Mr. BROWN of Ohio. Mr. Speaker, I thank my colleague from Virginia. What he said about manufacturing and job loss, I put that and the truth he has spoken about what has happened in the last 10 years next to the promises made for CAFTA.

I remember from a dozen years ago when President Clinton made this same promise. He said, under NAFTA it will increase employment in this country, it will create jobs, it will mean we will have more manufacturing and export more goods abroad. And he said it would lift up the standard of living in the developing world. President Bush says the same thing, that it will mean more jobs. He has said it on trade agreement after trade agreement after trade agreement, as did his predecessor: it will mean more jobs, more production and manufacturing in this country, more selling jobs overseas and raising the standard of living, in this case in the five Central American countries and the Dominican Republic.

Well, all we have to do, and the gentleman from Idaho (Mr. OTTER) and I were talking about this chart a moment ago, all we have to do is look at this chart to realize what they are saying just does not make sense. There is an old Ben Franklin quote where he said, ''The definition of insanity is doing the same thing over and over and expecting a different outcome.'' That is really what our trade policy is. They make the same promises, expecting a different outcome, and continue to get the same kind of failed trade policies and failed results.

But look at this chart. The average wage in the United States is $38,000. The average wage down in these Central American countries and the Dominican Republic is 6,000; Guatemala, $4,100. The average Nicaraguan makes $2,300 a year. These trade agreements do nothing to lift up their living standard so they will make more money. But under these trade agreements, we hear promises from supporters of CAFTA that we are going to sell more products. Whether it is from Virginia, Idaho, or Ohio, we are going to sell more products to these countries.

But Nicaraguans are not going to buy cars made in Ohio, and Hondurans are not going to buy textiles and apparel from Virginia, and Guatemalans are not going to buy lumber from Idaho. These trade agreements are not about our selling products to those countries, because people in those countries do not have enough money to buy software from Seattle or steel from West Virginia. These agreements are about outsourcing jobs to Guatemala or exploiting workers in Honduras or sending manufacturing to Nicaragua.

They are not going to lift those people up because there are no labor standards in this agreement, and they are not going to mean a better standard of living or more exports for the United States simply because these people cannot buy our products. Unless we are trading with a country that can buy our products, or unless we are doing something to raise the standard of living in these countries so that they can buy our products, these trade agreements are destined to fail.

So we end up doing what the gentleman from Idaho (Mr. OTTER) spoke about a minute ago, we end up with a trade deficit going from $38 billion in a

dozen years to $618 billion and all kinds of job losses. In my State of Ohio in the last 5 years we have lost 220,000 manufacturing jobs. In Virginia and the Carolinas, they have combined to lose almost 300,000 manufacturing jobs. In the great Northwest, Washington, Oregon and Idaho, they have lost 100,000 manufacturing jobs.

In State after State after State, because of these failed trade policies, because our trading partners are not buying our products, because these trade agreements are all about moving our companies, our jobs, outsourcing them to these countries, this trade policy simply is not working.

Mr. OTTER. Mr. Speaker, if the gentleman will yield, I just want to say that the gentleman makes a great point. This is the first time I have seen that chart and had it explained the way the gentleman has shown it.

In my other life, prior to being elected to the United States Congress at the turn of the century, I was the president of a large international company. In fact, I traveled to, worked in, and in many cases built plants, but sold product in 82 foreign countries. In fact, I supplied McDonald's restaurants with french fries in those countries throughout the world. They wanted a good french fry, and of course Idaho raises a great potato, and so subsequently we would go into these countries.

It is interesting the demographics that McDonald's does, just like any fast food joint or any business goes through. If you take a look at the chart the gentleman has there, if they were making the minimum wage at a 40-hour week, at let us say the Federal minimum wage, they would be making, my quick math here, they would be making about $10,480 a year. That is a 40-hour week, 52 weeks a year, and they would be making about $10,480 a year. The highest income, family income, average in Costa Rica, comes to $9,000, if I can read that from here. Am I right?

Mr. BROWN of Ohio. Mr. Speaker, for a guy his age, my colleague can see these numbers pretty well.

Mr. OTTER. I thank the gentleman for that. But more interesting than that, more interesting than that, my colleague, is that the $9,000 that those folks make in Costa Rica is half of what our United States Government says is the poverty level for a family of four, which is $18,000. We say if you make $18,000 or less in this country, you do not have to pay any taxes. You are at the poverty level and so we are not going to put any more burdens on you. Yet they expect these people to suddenly rush in and buy french fries at 50 cents a pound, beef steak at $3 or $4 a pound. And so who are they kidding? Who are they kidding when they say we are going to have these billions of dollars' worth of new exports that are going to be going to these countries?

The other thing I wanted to point out is that it is interesting how we constantly shift the paradigm on why CAFTA is so important. Initially, of course, and when you are talking to an old businessman and an old international grocery salesman like myself, and you tell me that we have some opportunity here to build trade, I am all for it. So I say, well, show me the numbers. Show me the numbers, like McDonald's used to. They would go in and take a look at the net disposable income, and they would say we cannot afford to build a McDonald's down here, in one of these countries, because who could buy our product?

Who can go in there and buy a hamburger, two all-beef patties, special sauce, onions, lettuce, pickles, cheese on a sesame seed bun, plus french fries, and a diet Pepsi or Coke or whatever else they would be selling? Because you see, quite frankly, there is no one in that country at that average wage that would have the net disposable income to do it.

So when the trade agreement did not work, suddenly we shifted the paradigm to political. We have to do this for these five countries down there, because if we do not, they will go down the drain to communism. They will go down the drain to Fidel Castro and to Hugo Chavez from Venezuela, and Ortega is going to take over again, and these other folks are all going to be taking over. So we absolutely have to allow these countries to do this.

Well, now, did we not start this in 1984, and have we not given them every economic benefit? And if this is as far as we have gotten since 1984, in 20, 21 years, I am a little concerned that if this is as far as we have gotten, we are not going anywhere with CAFTA.

So finally, when the political argument did not work, now they have shifted it to immigration. And my good friend, the gentleman from Virginia (Mr. GOODE), said it very succinctly, and that is that that is the exact same thing they told us with NAFTA.

□ 2100

They said if we just pass NAFTA, we will stop all of this illegal immigration, all of this desire for these folks to come from Mexico into the United States.

Well, it is estimated before we passed NAFTA we had something like 800,000 illegal aliens in the United States, and now it is estimated we have something like 10 million illegal aliens in the United States. Well, it sure worked for NAFTA, and I have no doubt in my mind NAFTA plus CAFTA equals SHAFTA.

I hope that this House is smart enough to turn back this effort to sell our sovereignty down the drain for some questionable promises of either economic increases for us in trade, political stability in that part of the world, or finally reduced immigration problems that we have at home.

I think that is a very important chart. I hope we get an opportunity to have some real face time with that chart on television as well.

Mr. BROWN of Ohio. Mr. Speaker, the gentleman talks about stability of those governments. I have heard the whole series of arguments. It was not much different with NAFTA. The President started off telling us NAFTA would be great for businesses, workers, and small manufacturing. People just were not buying it. Then he shifted it into a national security argument and an immigration argument, and then whether it was NAFTA or CAFTA, the President, whoever the President was in each one of those, would shift into the old issue of stability of those governments. President Clinton said it with NAFTA and Mexico. Now they are talking about political stability in the Dominican Republic and in the five Central American nations, Guatemala, El Salvador, Nicaragua, Costa Rica, and in Honduras.

But when we talk about stability, the opposition to these agreements in these countries is widespread and strong. There were all kind of demonstrations. There have been at least 45 demonstrations in the five Central American countries with 150,000 people at least participating in those demonstrations, and these are farmers and small business owners and workers and ranchers and people who came from the countryside, hiked into the cities and protested at their legislatures.

In one of the five Central American countries when the agreement passed, they did it in the middle of the night. The legislature met, they had to surround the building and nobody knew about it. All of those kinds of things have happened. If you talk about stability, you want a trade agreement that people of all stripes can buy into.

As I said earlier, I look to a day when the gentleman from Idaho (Mr. OTTER), the gentleman from Alabama (Mr. DAVIS), the gentleman from Virginia (Mr. GOODE), and the gentleman from Ohio (Mr. BROWN), people who have very different political philosophies and have very different kinds of districts, can sit down and write a trade agreement that the Catholic bishops in Central America will support and Jewish and Lutheran leaders in this country can support. They oppose this agreement.

I look forward to a day when labor unions and large corporations and small businesses and farmers and ranchers both in Central America and in the United States could support, and where we would put 350 or 400 Members of Congress together and pass an agreement. But to pass an agreement by 1 or 2 or 3 or 4 votes, to do it in the middle of the night, to keep the rollcall open and try to twist arms to pass it when it is clear that a majority of people in our country oppose it, we have seen these rallies that you have been to, and others, in opposition to this trade agreement here, where a majority of people in Central America and the Dominican Republic oppose it. There is simply no sense in passing a trade agreement that is not inclusive and does not have

Ohio and Idaho's interests in hand. All four members of the Idaho delegation, Senators and Representatives, are going to vote against CAFTA.

Mr. OTTER. Mr. Speaker, one of the reasons that Idaho is so firm against CAFTA, and I have received phone calls from companies in Idaho that say we need you to support CAFTA. Absolutely I have. I am not going to try to kid anybody and say I have not. I have had some phone calls from folks in the agricultural business that tell me that they bought into some of those arguments.

But for the most part the commodity groups in Idaho are supporting each other. And they have said yes, CAFTA may be good for us, but we remember when we asked the gentleman from Idaho (Mr. OTTER) and the gentleman from Idaho (Mr. SIMPSON) and everybody to vote against the Australian trade agreement because it was bad for the dairy industry and it was not too handsome for the beef industry. And so now the beef folks and the dairy folks are remembering that the sugar beet folks and the other farm commodities in Idaho supported them.

But all I need to do when they call me and say we want you to support CAFTA, I just need to remind them where we were in the early 1990s before NAFTA. Since NAFTA in my congressional district alone, since NAFTA passed, we have lost 32 sawmills, lumber mills in the State of Idaho. You do not just lose a lumber bill. The people of Clearwater County, Idaho, in a little town called Pierce, had a plywood mill that they had to close down as a result of not being able to compete with the Canadian lumber, and not having a softwood agreement with Canada. As a result, they had to shut down the mill.

That went on in many little towns. In the town of Cascade, Idaho; Council, Idaho, it worked its way south in my district, just inside the Continental Divide. We eventually shut down over 30 lumber mills and we laid off 14,000 families. Those 14,000 families no longer had an economic future in their business. Some of them were four and five generations in Idaho. The great Boise Cascade Company no longer has an operating unit in the State of Idaho and with the exception of maybe one or two scattered around in the south of the United States, no longer has an operating mill.

When those 14,000 families lost their jobs, school districts started to die because the property values of their homes went down because the main employer in the town closed up the mill and left. So there were no jobs, and so suddenly the equity that they had been building up in their house, and maybe it was two or three generations, suddenly that equity vanished just like the sawmill did, just like their hope for an economic future in the State of Idaho.

So you do not just lose a job in a State like Idaho and in a town like Pierce, Idaho, in Clearwater County, or Cascade, Idaho, in Valley County, or Council, Idaho, in Adams County, you lose school districts and you lose property tax base and you lose people. Eventually you lose families. That is what it cost the State of Idaho. That is why all four members of Idaho's delegation are opposed to CAFTA.

Mr. BROWN of Ohio. Mr. Speaker, that is the same in my State of Ohio. When we talk about numbers and the trade deficit, we talk about the millions of lost jobs, but it comes down to every family that loses a job, what they go through, every neighbor, every school district, the police and fire protection they lose, the equity in their house, all of the things that happen that destroy families and destroy communities. That is what we all need to remember when we are debating these large numbers and billions of numbers in trade deficits.

I thank the gentleman from Idaho (Mr. OTTER). We were joined this evening in a very unusual bipartisan special order with Republicans, the gentleman from North Carolina (Mr. JONES) and the gentleman from Virginia (Mr. GOODE), and Democrats, the gentleman from Alabama (Mr. DAVIS), in opposition to the Central American Free Trade Agreement.

STRENGTHENING SOCIAL SECURITY

The SPEAKER pro tempore (Mr. POE). Under the Speaker's announced policy of January 4, 2005, the gentlewoman from Kentucky (Mrs. NORTHUP) is recognized for 60 minutes as the designee of the majority leader.

GENERAL LEAVE

Mrs. NORTHUP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of this special order, which is Social Security.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Kentucky?

There was no objection.

Mrs. NORTHUP. Mr. Speaker, I am so delighted to be here with my friends and colleagues who also are very committed to strengthening Social Security to make sure that it not only is strong and a viable program for current seniors and for those of us that are the baby boomers and about to retire, but also that it is a program that is sustainable and solvent for our children and our grandchildren.

That is a big challenge for us and it is easy today to put off problems that look like they are going to be 2 years in the distance, 4 years in the distance, 10 years in the distance, 25 years in the distance, to take up just what is the most pressing challenge today; but that is a wrong strategy. That strategy leaves our country vulnerable. In this case it gets worst the longer we fail to act.

I am pleased our President has discussed this with the American people. He has been very forthright on what the challenges are, and he has shared with the American people that doing nothing is the most dangerous thing we can do when it comes to Social Security. We all know Social Security is a pay-as-you-go. Those that are currently working are paying for those that are currently retired.

It used to be that there were 16 workers in the workforce for every retiree. Later there were 10 workers in the workforce for every retiree. Today there are 3, and so that means that considerable resources, considerable dollars that current workers make have to go to sustain each retiree.

It is wonderful that we can anticipate longer lives than those who designed Social Security. In fact, it used to be that life expectancy was 62 years, and you could retire when you were 65 years. So when Social Security was first proposed and first passed, there were far more people that paid into the system than would ever think that they would get actual Social Security benefits because of the life expectancy.

To our benefit and to the quality of our life, Americans are living far longer. So we need to modernize Social Security so that we do not have two or three workers in the system supporting every retiree as they also have to support their families. We need to make sure that those in the workforce that actually make sure that Social Security is solvent, that when they retire, it is there for them. We need to act sooner rather than later because today it is still possible to deal with the Social Security surplus, to put dollars aside, to build a system that will help make the system solvent and sustainable in later years.

I have with me today one of my colleagues, the gentleman from Florida (Mr. MILLER), who is very knowledgeable about Social Security and in particular about the GROW accounts, the proposal before us right now as we consider whether we take big steps or small steps towards personal accounts that can help us bridge the gap between a system that is not sustainable and not solvent to a system that is there for our children and grandchildren.

I yield to the gentleman from Florida (Mr. MILLER) and am eager to hear what he has to say.

Mr. MILLER of Florida. Mr. Speaker, I am sure it is no surprise to many of you that some of my constituents do oppose personal retirement accounts, so when they do I ask them this very question: Would you agree or disagree Congress should have, when it created Social Security, set up a really true lockbox that earned interest on their FICA contributions?

Of course they eagerly agree that the money should have been set aside and used only for Social Security benefits.

I then follow up with the question: Then why in the world would you be opposed to a personal lockbox, if you will?