I have submitted this to the House, and I'm going to be seeking support for this resolution. I wonder sometimes what our Forefathers would think of how far we've gone out of kilter in recognizing who's our friend and who's our enemy, or how we are so concerned about what the speak police or the voice police would say to us about some language we use that we simply aren't willing to put the men and women who wear the uniform of our armed services at risk rather than make a statement that might offend somebody.

I think our grandparents would look at this country and say, what happened, what happened to the United States of America that I fought for in World War II or Korea or Vietnam? When did it become evil for Americans to speak the truth? Why would people who are in harm's way, who we highly respect as leaders of our armed services, tolerate being instructed in this concept of political correctness and be treating this as if it were an ordinary incident of workforce violence? How do we justify that? Where is the common sense in this effort? We're worried about hurting other people's feelings, and other people are killing us. I mean, this doesn't make any sense.

And most of all, let's not forget—because I attended the funeral of one of the civilians. I have met with some of the wives and children of these dead combat soldiers and talked to the parents that looked me in the eye and said, how do I figure this out? My kid was there to be deployed for the fourth time. He stood in harm's way for our country, and we are worried about hurting other people's feelings. Does anybody call us from all over the country and say, how are we doing? You know, my kid at least ought to get a Purple Heart. My daughter ought to get a Purple Heart for the wound she received, and now she's debilitated and has to go to therapy. My son, who's going through constant therapy for his head wound, he ought to be recognized by the Army for what happened to him, the reality of what happened to him. And so we won't make the easy acknowledgement that these folks were in combat. And the only reason they didn't fight this guy is because they were not armed. And the reason they were not armed is because you're not supposed to be. Go on poster combat credit. Give them the honor and respect that comes from that. But we're still not able to get that done.

We're going to keep trying. I have people call me from all over the country and say, how are we doing? You know, my kid at least ought to get a Purple Heart. My daughter ought to get a Purple Heart for the wound she received, and now she's debilitated and has to go to therapy. My son, who's going through constant therapy for his head wound, he ought to be recognized by the Army for what happened to him, the reality of what happened to him. And so we won't make the easy acknowledgement that these folks were in combat. And the only reason they didn't fight this guy is because they were not armed. And the reason they were not armed is because you're not supposed to be. Go on poster combat credit. Give them the honor and respect that comes from that. But we're still not able to get that done.

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major problem among the thousands of veterans, hundreds of thousands of veter-

as that have returned. These are issues that we must deal with.

And as we mark, today, the final withdrawal of American troops from Iraq, our commitment to the war that indeed our actions go out to those veter-

ans who have served this Nation in this war. Whatever we may think of the war, we must always think well and appropriately of these soldiers, men and women, multiple tours. Na-
tional Guard, the Reserves, and the active Army and Navy and Air Force and Marines, all serving this country.

Many things have happened here on the floor to deal with those issues that they have incurred. Just 2 weeks ago we passed major pieces of legislation that are a followup to earlier pieces of legislation for the veterans. The Demo-
cratic Congress, in 2009 and ‘10, enacted the most far-reaching veterans benefits since the end of World War II. A new GI bill that opportunities and training are in place. Enhancement of the medical services through the Vet-
erans Administration and many other that were culminated last week—wrong word. Not culminated, but added to last week. And legislation that provides a very strong incentive for em-

ployers to hire unemployed veterans.

The unemployment rate for veterans is generally twice as high as the aver-
age American unemployment rate. Those veterans go to the employer, re-
ducing their taxes by $2,600 for every veteran they hire. If they hire a long-
term unemployed veteran, it’ll be $5,600, and if it happens to be one of the disabled veterans, perhaps one that we often see outside this Chamber, then it’s a $9,600 reduction in the taxes for that employer. We hope employers all across this Nation hear this and reach out to the veterans in their community and give them a job.

The best of China we have tonight I’d like to talk about jobs for Ameri-
cans. As much as we may want to think about the wars, and today we did, we passed the Defense Authorization Act, we have to also think about Americans here at home that need a job. We’ve been working for some time on a program that we call “Make It in America,” a rebuilding of the strength of the American manufacturing indus-
try.

Over the last 20 years, we have seen a rapid decline in the manufactur-
ing base of America because that’s where the middle class found its place. That’s where the middle class found their op-
portunity to use the skills, whatever training they may have, whatever edu-
cation they may have, and get a good, solid job that would support a family. Twenty million Americans were em-
ployed in manufacturing 20 years ago. Today, it is just over 11 million, almost a 50 percent decline.

We can’t let this continue. We cannot allow the outsourcing of American jobs. We have to bring those jobs back home, and there are many ways that we can do that. And our “Make It in America” agenda by the Democratic Party here in Congress is taking root. And tonight we’re going to talk about many parts of that.

Joining me is MARCY KAPTUR from Ohio, which once and will be the heart of the American manufacturing sector. I know you have many pieces of legis-
lation, and I know your intense passion on rebuilding the manufacturing sector in America. So let’s talk about some of the things that are going on here in Congress and what we can do.

Ms. KAPTUR. I want to thank Congre-
sman GARAMENDI for, again, bring-
ing us together to discuss the most im-
portant issue on the minds of the American people, and that is healing the economy here at home and pro-
ducing a sufficient number of jobs to employ all Americans who want to work.

And I join the Congressman’s com-
ments about our veterans, veterans hire. So by brazenly, a great sense of self-sacrifice and national sacrifice. We thank them, par-
ticularly during this holiday season, their families, their children, their rela-
tives, their friends, their commu-
nities, all their employers, all of those who understand what this requires.

And I wanted to just mention that, in connecting our veterans coming home to the employment question, it’s a very serious challenge that we face because, even in a State like Ohio, currently, of the 70,000 that are employed in Ohio, and there are many, 52,000 are veterans, already. And it was correct, I think, for President Obama, in going to visit with our veterans and active mil-
tary at this holiday season, that one of the issues that came up repeatedly was, well, with our veterans coming home, where are they going to work with so many unemployed already?

And to give an example, in Ohio and many other parts of the country, for every job that exists, 100 people apply or more. And even if we filled every job that exists, we would have millions of Americans still out of work.

And yet, we have huge, unmet na-
tional needs, and that’s why making decisions here, both on the tax side and the spending side, to get our economic house in order and to rein in the abuses in the financial sector on Wall Street that have caused such damage here and abroad, is absolutely critical for us to deal with and to keep those at the top of our priority list.

I think Congressman GARAMENDI and I agree that some of the partisan wran-
gling here is really so nonproductive. And if you want to put the country back to work, that’s what the debate should be about. We should have job thermometers here showing how well we’re doing and how fast we are help-
ing to grow this economy.

So as with Congressman GARAMENDI’s support of the veterans tax credit for hiring, I obviously support that as well. But it’s not sufficient because, as I understand it, the tax credit will yield about 40,000 openings around the country; 40,000 companies will hire maybe one worker, or however it will ultimately transpire, but we have a need to reinvest in America.

The most important factor in rein-
vestment is for our banks to have con-
fidence and our people to have con-
fidence that there’s going to be sta-
bility for people in our economy. I think our party wrangling really works against that.

Wouldn’t you agree, Congressman? Mr. GARAMENDI. It really does, if I might take a moment here.

You raised one of the very important points. I know later in this discussion you’re going to take this up in much more detail. But it’s very, very clear that the financial sector, in their rush for profit, created the housing bubble. Didn’t do it all by themselves. There was plenty of greed on the part of cer-
tain people that bought houses, and the real estate community was involved in that, the mortgage community, here we are back on Wall Street. What is Wall Street doing to bail out Main Street? Not much.

I heard a discussion earlier today from a banker that said, Oh, we’re making all kinds of SBA loans. Yes, those are guaranteed loans guaranteed by the Federal Government. But what risks are they taking?

We passed the Dodd-Frank language, which was designed to rein in Wall Street. Very Good. Very Good. But as I would like? No. I would go back and put in place the Glass-Steagall Act. I was the insurance commissioner before the Glass-Steagall Act disappeared, and insurance was over here and banks were over there and investment bank-

ing was separate. So that the kind of problem that existed in 2000 where the banks went berserk and crazy in greed creating all of these CDOs and other kinds of really fake instruments, they were not bailed out. Do you think that Dodd-Frank is there. Our Republican colleagues are refusing to fund the im-
plementation of that program, putting all of us at risk once again.

I want to go back to the manufac-
turing sector and some of the issues that arise there, and particularly the unemploy-
ment rate in your commu-

nities.

Now, we have to reauthorize the un-
employment insurance; otherwise, is it 3.3 million Americans are going to lose their unemployment insur-
ance in the first of the year? And when you have such high unemploy-
ment as you do in your communities, what are they going to do? How are they going to feed their children, pay their mortgages? And when you pro-
vide an unemployment check, it imme-
diately goes into the economy and cre-
ates $1.6 for every dollar of the check.

And I know you see this in yours, and you talked to me about this unem-
ployment and the way in which the cessation of the employment insur-
ance would just devastate people here
at holiday season. So share with us what you were sharing, just this, earlier in the week when we were talking about this issue.

Ms. KAPTUR. The problem is, when you have 100 people out there looking for a given job, there’s only one job, but 20 of them are going to get it. And these are people who want to work. They have a record of working. They have actually collected their benefits. They’ve paid into the insurance fund for unemployment in their respective States. But when the economy doesn’t recover as fast as it must, then what happens is, after they use up their first 26 weeks of unemployment, what are they supposed to do? Where are they going to work in order to provide for their families?

We’ve had to, at the Federal level, extend unemployment because of this massive recession that we are digging out of. We have had to extend people. These are people who want to work, who have worked, who have a working record. So they continue looking for jobs. And I can tell you, some of them have been looking for jobs for 3 and 4 years. It isn’t that they don’t want to work. How many have I talked to where they have sent out hundreds of resumes? They have gone door-to-door looking for work. They have tried, and yet the door keeps getting shut in their face.

At some point, any human being begins to think, There must be something wrong with me that I can’t obtain work, when they have a very good record. Many of them are doing two and three jobs just to bring income in and then look to find a full-time job. It’s very disruptive to family life. Many of them have moved in with their relatives now. And they shouldn’t feel like failures. I said to my audiences back home, It isn’t your fault. You didn’t do this to America. The biggest banks failed us. They failed our country. They’ve hurt us. They’ve created false money. Many of them became so rich that no normal person could even imagine what they’re floating in.

But it isn’t the fault of the ordinary worker. They shouldn’t eat themselves out of house. We have had to extend people. And 45 million Americans, and the President is, too. And he suggested that this needs to be paid for. We cannot borrow money from China to do the unemployment insurance or to do the payroll tax deduction.

Now, the payroll tax deduction, it’s rather important. It’s over $1,500 in the pocket of every working person in this Nation. That’s an enormous amount of money for a person that’s earning $10, $20 an hour. So he wanted to do that. How is he going to pay for it?

He suggested that we pay for this in what is called tax fairness, that we take the upper income, those people that have earned a million dollars a year or more, and increase the tax that they pay over a million dollars by 3½ percent. A 3½ percent increase above a million dollars—not below but above. Now, that’s fairness, because these folks have had an enormous tax reduction over the last decade, part of the Bush tax cuts.

Unfortunately, that didn’t happen, and you and I have been here. And perhaps we ought to share with the public what happened yesterday when a bill came to the floor to provide unemployment insurance extension and a payroll tax deduction. It was really not a shining day for the House of Representatives.

We’ll go into some detail here, but essentially what happened was that the legislation put forth by our Republican colleagues basically said, okay, we’ll continue the payroll tax deduction, not at 3.1 percent but at a 2 percent reduction, which is about a thousand dollars for an average family. That’s good, certainly better than not doing anything; and we will also do the unemployment insurance, but only for half the time that the President suggested. And here’s the kicker. All of that will not be for those who earn more than a million, the millionaires and billionaires. That will be paid for by the middle class. It was the 99 percenters that were going to have to pay for this. Not the 1 percenters, but the 99 percenters. It was the great shell game, and a very, very sad day. Fortunately, the President said, I will veto it if that ever gets to my desk; and the Senate has said, No way; this is not fair to the working men and women of America.

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Now, we were here, and we heard some of the debate. Share with us your thoughts about all that went on yesterday in that rather sad piece of legislation.

Ms. KAPTUR. Again, it’s like a tee-totaller. It’s like it’s tipped in one direction.

Mr. GARAMENDI. Yes.

Ms. KAPTUR. I think everybody in our country knows that we all will have to sacrifice in order to pay down our long-term debt and that when we make public decisions that we help our economy grow.

In every business I go into, they say, Marcy, bring me customers, bring me credentials.

Whether they’re out of work and they receive unemployment benefits, which they have earned, or whether it’s allowing an individual through a payroll tax holiday to have a few extra dollars or a few extra million dollars, the advantage of helping the middle class is that it’s going to go directly into our economy. It goes to every small business. Whether it’s to buy vegetables at the corner stand, whether it’s to buy gasoline for your car, whether it’s to buy clothing for your children, when you think about where those dollars will go, it’s going to go to essentials. It won’t be wasted money.

All of history shows us, because their incomes have really not gone up, because the buying power has gone down for the average family and prices are going up, that the middle class is guarding every penny so much more carefully. I had to go out and buy some throw rugs the other day because of all the water in the Midwest that we were flooded with. Water to rise in our basement. I couldn’t believe the price of throw rugs. I thought, oh, my goodness, and I went to two or three stores. I don’t have time to do that, but I was reacting to the increase in prices. The average family has great difficulty in buying those kinds of items, so those few hundreds of dollars mean everything, and they will use it to improve their homes, for example.

Mr. GARAMENDI. If I might interrupt for just a moment, you raised a very, very important point about the fate of the American middle class and of the extraordinary benefit that has grown for the top 1 percent. This is well over the 99 percent.

Let me just show you this chart. It has become one of my favorites. This chart is about the growth of income.

Down here on the bottom are the bottom 99 percent of Americans and the income that they have seen since 1979. Virtually no real growth in the income of the working men and women, of the middle class of America. So, if you look at these lines, this is the top quartile; this is the second quartile; this is the third quartile; and this is the 99 percent. And it just goes up a little tiny growth. Incidentally, most of that comes because now both the husband and wife are working, not because just one of the wage earners has seen it.

This top line, Marcy, is the 1 percenters. We can see, over the last 25, 30 years, the 1 percenters have done very, very nicely, and there are many reasons for this. One, they are very productive. They’ve been able to find good opportunities and to make the most of them. We wouldn’t deny anybody that opportunity to become very, very wealthy in America if they play by the rules. I know, a little later,
you’re going to talk about some who have not played by the rules and who have become extraordinarily wealthy. But if you play by the rules, you ought to be able to do very well in America. Yet what we’re talking about here is tax fairness. A lot of this growth right here in the last decade has been as a result of tax policy. Now, the George W. Bush tax cuts for the super wealthy, which were supposed to create jobs, didn’t create jobs. In fact, we had a loss of employment in the United States. Even if you discount and take out the great crash of 2007–8, in the George Bush era, the argument for reducing the high-income tax rate was that it would create jobs because these were the job creators. It didn’t create jobs. It did not create jobs. So now we’re talking about how do we keep this economy going, about how do we provide for those who don’t have jobs. How do we put money back into the economy? As you say, it will be spent. We do it, that takes time.

As the President suggested, for those people who earn more than $1 million a year after all the deductions, the amount of income above $1 million would be taxed an additional 3½ percent. That’s fair to the American workers, if they’re unemployed or if they’re looking for jobs, so that they’ll have an opportunity.

Ms. KAPTUR. Congressman GARAMENDI, as you were talking, I was thinking about that chart that shows the flatness of income growth in the middle class, and I was thinking about the last several years and about our U.S. trade deficits.

Most Americans probably don’t realize it, but annually, we rack up about $500 billion more in imports coming into our country than exports going out, and it hits the working class—the middle class of people—very, very hard because it substitutes for the income that they would otherwise earn. That’s unfair to the American workers, if they’re unemployed or if they’re looking for jobs, so that they’ll have an opportunity.

What we see happening is a tipping toward the top, but really all sectors are affected by the fact that our trade deficit lops off most of the gross domestic product growth every year. A half-trillion dollars bleeding out of our economy for purchases of everything from electronics to energy to automobiles, which are things that should be made here in the United States. Downward on every income quartile in our country. Thus, your efforts to promote American-made goods are right on target.

Mr. GARAMENDI. Before we go back to Make It in America, which is our principal policy, at least among those of us who are talking about the Make It in America agenda, I want to just make it very clear that this debate over the payroll tax reduction and the unemployment insurance is not over. We’ve got a lot of time left to do this done before the end of the year when all of these opportunities for people to continue to survive terminate.

Right now, the Senate is going to take up the House bill, and it is our understanding that that bill is not going to move in the Senate. We need to get past this gamesmanship that we saw in the legislation that passed here just yesterday, and we need to get serious about finding compromise that can deal with this problem.

Here is our wish list. This is the American wish list. We have Santa up here, but let’s just say it’s to the House of Representatives—all of us—and to the Senate. If you’d like to have in the stocking is not a bad lump of coal but, rather, a payroll tax cut extension. We could probably settle for the present. If we were to compromise, we’d want 3 percent, but we could settle for the 2 percent reduction. That’s $1,000 in the pockets of every working man and woman in the State. That’s 160 million people. That’s an enormous thing for us to do.

So this is one of the things that we would wish happen, that we wish that we would do—your Representatives, Democrat and Republican alike, and the Senators—for the working men and women of America so that they can have food on their tables and roofs over their heads.

The other deals with the unemployment insurance—5.7 million people are going to be losing their unemployment insurance in the coming year. What in the world are they going to do? Their jobs are not there, and they’re clearly pointed out. Ms. KAPTUR. The jobs are not there, and they need help. That’s where the unemployment insurance program will help them and will simultaneously help the economy, as Ms. KAPTUR pointed out. We can pay for this. We can pay for this with a Fair Tax system in America.

Ms. KAPTUR. I wanted to just comment obliquely here based on what you’ve been talking about.

In looking at job creation in a given region, if I look at manufacturing regions that I’ve been privileged to represent, we have many small companies or medium-sized companies. I happened to be speaking with one of them the other day, Hirzel, which is a major producer of tomato products in our region.

And I said, you know, I was looking for your spaghetti sauce on the shelves of one of our major grocery chains, and I couldn’t find it. And it’s the best sauce I have ever eaten. I said, How can I help you expand your product placement on the shelves of stores across the country? The owner of the company—why, it’s a family company—and they are the most wonderful people—he said to me, Well, you don’t really understand, Marcy. We really aren’t allowed on those shelves because one of the big spaghetti sauce manufacturers—and I won’t mention the name—says to them, why would you keep all new products off their shelves. And even though Hirzel’s is not a new product, it’s regionally bound; and they can’t get on the shelves of supermarkets because of what’s called “slotting fees.”

Mr. GARAMENDI. We should work together. Excuse me for interrupting, but in my district, we have a ravioli company. We’re getting our ravioli on the shelf. Now, maybe you have on top of their raviolis we could actually get on the shelf.

Ms. KAPTUR. You know what, these large outfits that control retail sales in this country hurt innovation because what they do is they make deals with some of the biggest companies. Ask yourself, why, when you go through a supermarket and you want to find soda pop—they call it soda pop in some places, and they call it—what do they call it in your part of the country?

Mr. GARAMENDI. Obesity.

Ms. KAPTUR. Well, if you try to find different brands, you will see certain brands at eye level because they pay thousands of dollars to big grocery store to put it there. But if you want locally bottled soda, or pop, you are lucky if you can find it on the bottom shelf, and you probably can’t.

So we have like gatekeepers. The public is largely unaware of this. Local merchants represent a region that is both urban and rural. I love it. I am privileged to represent it. Try to get locally produced pork on the shelves of large supermarket chains. Good luck. You know, the same is true with vegetables. We need to save middle-income growth and job growth in this country if we would have some consciousness by these big retailers and box stores to go local. We grow local. We make local. But then to try to move it to the shelf, it’s almost impossible.

Mr. GARAMENDI. Black Friday, a week ago. It is all about the big retailers. But Small Saturday, now that was exciting. A lot of advertising out in California about, Go to your local shop. Buy Saturday.

Buy some of just what you are talking about, and that is to find a way to provide opportunity, moving, in this case, customers to the local stores. Instead of the big box store, go down to Main Street. Stop at the local shop. Very, very powerful. And I suspect that many of us did that. We stopped at the local store, and we didn’t go down to Home Depot. We went down to the Ace Hardware.

Ms. KAPTUR. This year, again, I was at the craft shows. I buy dozens and dozens of gifts. And I find locally made items because I know the money will go right in the pockets of local people. And why is it these craft shows, they hold them in churches, and they hold them in auditories, why don’t some of these big shopkeepers invite them in? What’s the problem with trying to help local innovation, local development? We find so many restrictions that make it hard.

One of the reasons we can’t grow jobs fast enough is because certain interests in our society have such a lock on who can get in the door. There ought to be a section for local. We shouldn’t have
to pass a Federal law for that. People should be smart enough out there to do it. It creates more customers all ways around, and a lot of us want to support local.

Mr. GARRENDI. I don’t think we’re talking about a law or a new regulation here, but we’re talking about something that we ought to do for our communities, and that is recognize that we’re all part of a community.

Young a few moments ago that caused me to come back to this issue. You talked about the trade deficit. And the way in which we are literally exporting our money, we’re also exporting our jobs.

Last December—a year ago—on this floor, we took up a piece of legislation that dealt with this issue. In the previous Tax Code, there were tax breaks given to American corporations for shipping jobs offshore. For offshoring American jobs, they got a tax reduction. And some of us said, Well, what in the world is that all about? So we scrambled and tried to find out where the codes were. And a bill came forth on the floor that eliminated about two-thirds of those tax breaks given to American corporations when they offshore jobs.

A very interesting division occurred here on the floor of this House. It was a straight-up bill. It wasn’t complex. It was on that issue: Should American corporations continue to receive tax breaks for offshoring jobs? That was the bill. No riders. No hidden agendas. No extraneous sentences put in. This House divided right down the middle. The Democrats voted to end the tax cuts. The Republicans, not one Republican voted to end those tax breaks given to American corporations for offshoring jobs.

And I’m going, I don’t get it. You guys talk about jobs all the time. You talk about small businesses, and here you want to continue to subsidize the offshoring of American jobs? What’s that all about? We never got an answer. It linked directly to the point that you were making earlier about policy choices. Our work is policy, policy choices: Are we going to do this, or are we going to do that? Are we going to continue to support American corporations for offshoring jobs, giving them our tax dollars? Are we going to continue to allow the oil companies to be subsidized? The wealthiest industry in the world takes about $15 billion a year in tax money, and we give it to them. The oil, the gas, and the coal industries, about $15 billion a year in tax subsidies. Why do we do that?

Ms. KAPUR. You raise a very good point. I thought I did walk into one of these dollar stores—I won’t say which name it was—with one of my good friends the other day. I couldn’t find a non-Chinese-made item on the shelf.

Mr. GARRENDI. Wouldn’t you love to go into Wal-Mart and find “Made in America”? Wouldn’t that be something?

Ms. KAPUR. I’m a city planner by training. So I look at the space in these stores, and I thought, I could do this. I could clear one of these aisles. I could consolidate over there. I could provide a place for locally made items, and let the local entrepreneurs compete. But the store would have space on the shelf, and don’t make them pay these exorbitant fees. It doesn’t take an act of Congress for some business innovation in these big box stores. And I am thinking, you know, maybe America in some way is lagging because if the CEOs in charge of these retail stores can’t be creative enough to figure out how to help us encourage innovation at the local level, what are they getting paid so much for?

I think of all the local food products, all the hand-made sweaters, all of the artwork, all of the pottery that’s made locally, the food products that can’t get to shelf because they keep them out. Come on, men and women out in the retail world. Show a little bit of creativity here. We have a lot of innovation at the local level.

Mr. GARRENDI. A little bit of patriotism?

Ms. KAPUR. Boy, it takes a little bit of patriotism.

Mr. GARRENDI. Let me give you another example of what we can do with policy. Right now we have a “Buy American” policy that really has not been enforced much. So I’ve introduced a piece of legislation, H.R. 613, that simply says that if our tax money is going to be spent, and every time we buy a gallon of gasoline or a gallon of diesel fuel, we pay either 18.5 cents for the gasoline or 26 cents for the diesel fuel in taxes, where’s the money going? Some of it all too often, in fact, a lot of it all too often, winds up going offshore.

I will give you an example: the Oakland-San Francisco Bay Bridge, a multibillion dollar project, $1 billion worth of steel going into that bridge. It is part of the rebirth of America’s lodestar industries, which has now been introduced by the rank-and-file member Democrat in the Transportation Committee, will bring hundreds of thousands of jobs when our tax money is going to be used to buy American-made equipment.

Ms. KAPUR. I wanted to mention as you were talking, Congressman GARAMENDI, as a result of the refinancing of the U.S. automotive industry in northern Ohio—from Cleveland, Eastack, Avon Lake, Sandusky, Toledo, Defiance, the whole corridor—what we are seeing is a reinvestment in the supplier chain. That includes steel such as Republic Steel. People don’t realize how many jobs in America are connected to the automotive industry.

Your State of California, which manufactures a lot of semiconductors, half of the semiconductors procured in this country go into the automotive industry. If you think about carpeting, half of the carpeting some of this country goes into automotive production. Plastics, glass—think about what is really in there. As a result of what we were able to do here, with a lot of flak from one side of the aisle, although there was some support, was to refinance the U.S. auto industry.

We just had an announcement in Avon Lake that the truck platform will be coming back to us from Mexico. So that is retention of jobs in Avon Lake. It is part of the rebirth of the auto-motive and truck transportation across the north. We are producing vehicles like the Wrangler, one of the most popular vehicles in the country, obviously, and the new Cruze for General Motors. But all the supplier chain, Republic Steel, they’re putting in a new amp furnace. You’re looking at the restoration of production. It’s coming slowly, but it’s coming. So we have to be proud of actions that were taken by the Government of the United States of America through the actions of Congress and by the President to help save one of America’s lodestar industries, which has now paid back its loans and is rehiring.

Mr. GARRENDI. Let me just add to this. This was a result of the stimulus bill that the Congress had. And I think, if need be, to rebuild certain sectors of America. President Obama courageously, and with enormous opposition from Republicans, said, I will not let the American automotive industry die. This is a fundamental industry in the United States: I will not let it die.

And so he authorized the money that went to bail out General Motors and
Chrysler. Ford didn’t take advantage of it because they had a different financial situation. But the result of that is precisely what you’ve described. It is precisely the saving of the American automotive industry and all of supply chain with it. A very courageous action by the President, one that worked for the benefit of America so that we can once again make it in America. I'm going to wrap this up very quickly because I know you have a couple of things you want to talk about with regard to Wall Street.

Ms. KAPTUR. I would like to add one item, though. Mr. GARAMENDI. Why don't you go ahead, and then I will wrap up at the end.

Ms. KAPTUR. Perfect. I just want to say a deep thanks to Congressman GARAMENDI for bringing us together tonight.

I wanted to say as a member of the China Commission, we had testimony yesterday from various witnesses on the economy, on the legal structure of China, and one of them was how closed the Chinese market is to products from around the world—much like Japan, much like Korea. You look at Singapore, many of the Asian nations keep our products out. And we're asking American companies to try to compete in a situation where our market is open and their market is closed. So we can't get access to those customers.

One of the points that was brought up by one of the top economists that testified before the China Commission was the fact that the Chinese Government backs those companies. Really, the government owns the companies, and they infuse billions of dollars. So think about this. The workers and companies of northern Ohio and the U.S. automotive industry are trying to compete in a global market where some of the major markets in the world are closed, and they've remained closed for decades. China does not welcome us in. We are literally competing against state-managed capitalism. It is not a free market. It is not a market economy we are dealing with. It is very controlled.

There was criticism by some that, oh gosh, look at Congress, they are helping the U.S. automotive industry. It showed a lack of understanding of what these sorts of points that was brought up. The overwhelming majority of small businesses gain by that extension, and they're just asking them to put money into the right pocket with an increase in fees, a reduction in medical services, and that money would be extracted. But this bill, again one that I have introduced, and it comes directly from my district because we have a major wind farm and solar system there, it says that our tax money that presently goes to subsidize the purchase of solar systems and wind turbines can be used to buy American-made wind turbines and solar panels. In other words, buy American, make it in America, and rebuild our industry.

I am going to just wrap up very quickly. It's the holiday season. It's that time when we think about our families. It's that time when we think about our communities. We have a real obligation here in the House of Representatives to put forth really solid legislation to support the American workers and families in America that, through no fault of their own, are unemployed or have a very difficult time in making it in the current economy as wages are driven down and as opportunities for advancement are diminished.

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What we hope for, and literally pray for, is a consensus, a compromise, in the next couple of days—whether it's on the floor of this House and with the Senate so that we can pass legislation that would actually help the American workers, those that are unemployed and those that are seeking a job or have a job and the venue to make it, and with that payroll tax deduction put another $1,000 in their pocket. And I want us to keep in mind that in America today there are 1.4 million children—1.4 million children—that are homeless. Their parents have lost their job, and they're sleeping in cars. They're homeless. They may be able to find an opportunity at a motel. We've seen some of this on television. But this is in all of our communities. Every community in America has this problem.

And it's up to us here in Congress to use what compassion and wisdom we possess to find ways of addressing it. This is such an opportunity with the payroll tax deduction, with the welfare. And, unfortunately, the bill that passed here yesterday basically would put money into the right pocket through a payroll tax deduction or an unemployment check, and they would take it out of the left pocket with an increase in fees, a reduction in medical services, the closing of clinics or other ways in which that money would be extracted. Yes, it would balance. It wouldn't increase the deficit except for the working men and women of America. We think that's wrong, and we've offered a different solution.

My colleague from New York has some small businesses that stand to gain. We have such an opportunity with the middle class in terms of a payroll tax holiday extender, but then also asking them to pay for that benefit. So it's like one hand is offering and the other hand is taking from our working families, middle class. This is not the prescription for success.

What has been offered by the President is a payroll holiday extender, a tax holiday extender for both employers and employees. And there are many small businesses that stand to gain. The overwhelming majority of small businesses gain by that extension, and certainly the employees do. But it works best when you bring leverage into the equation that comes from the average American who is paying the most high income strata in our country.

And when you look at the charts from 1979 to the present day, there is no denying what statistics indicate. Facts can't be argued with. There has been this exponential rise in the growth of income for the top 1 percent to about 250 percent of an increase, all while, from 1979, middle-income Americans have seen a flat-lining of their household income, and it's even dipping. So why mess with this progress that has been realized, this steady climb upward—slow but steady—from an 8.2 million jobs loss hole? We have climbed steadily. Why do we need to again offer tax cuts? Why do we need success that is coming back into the economy? Allow for America’s middle class families to move forward, and allow for that benefit to be paid for by someone other than the middle class. Otherwise, it's giving and taking from the same audience. It makes no sense.

We stand by progress, we stand by progressive policy, and we stand by our
The American people must demand more congressional oversight. Congress needs to produce more information.

I attended last week's hearing in the House Agriculture Committee held one of the first hearings we have seen all year. The hearing, called by Chairman Frank Lucas of Oklahoma and Ranking Member Collin Peterson of Minnesota, began to shed some light on what is the eighth-largest bankruptcy in U.S. history at MF Global Holdings. Its missteps had been widely reported, but they were more mysterious and troubling. We need to subpoena their full records and transactions that led to the collapse.

Even before last week's hearings, we knew that MF Global Holdings filed for Chapter 11 on October 30. Citizens in my district have been impacted and harmed as over $1 billion disappeared from customer accounts. The Washington Post and other press reported weeks ago that the firm's CEO, former Governor Jon Corzine, had essentially placed a $6.3 billion bet on the sovereign debt of several European Governments. After its most recent quarter return showed almost $200 million in losses, MF Global stock lost 67 percent of its value.

But this is not just a case of an investment firm being lured by the higher returns of riskier bonds. As investigators continue to piece together what happened at MF Global, there is increasing evidence of criminal activity. This case has all the trappings of a massive case of fraud. Now, CME Group Incorporated, which audited MF Global's accounts, reported weeks ago that Mr. Corzine's company violated federal requirements to keep its accounts from its customer accounts. At last week's Agriculture Committee hearing, the public was once again told that as much as $1.2 billion may still be missing from segregated customer accounts.

This isn't just a case of misplaced money. The financial press has been reporting a staggering amount of malfeasance in the days before MF Global filed for bankruptcy. In an apparent effort to buy themselves time, MF Global sent checks containing money. Many of those checks, we all know now, bounced. There are stories of requests to transfer funds being denied and even inaccurate account statements being issued. Even more egregious are accounts of people receiving bounced checks going back and finding their accounts were also altered inappropriately. May I ask, if this doesn't sound like fraud, what is it?

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