CONGRESSIONAL RECORD—HOUSE
July 29, 1999
18733

to the Foreign Operations Appropriations bill. OPIC subsidizes U.S. companies that invest in risky foreign markets and businesses by providing them direct and low-cost financing and insurance. While claiming to help America’s small businesses invest in foreign markets, OPIC actually provides loans and risk insurance to some of the largest multinational corporations in the world. And while claiming to invest in sustainable development projects, OPIC has been involved in clear-cutting pristine forests in northwestern Russia, and, as a result, a gold mine in a World Heritage site.

Through OPIC, U.S. taxpayers are exposed to environmentally, financially, and politically risky private sector investments, the implications of which, in many cases, are not even disclosed to the public.

The government should not be in the business of committing billions of taxpayer dollars to underwrite the investments of Fortune 500 companies. This is corporate welfare at its worst.

As has been said earlier, OPIC puts taxpayers at risk. It obligates the taxpayer to underwrite insurance for the possible loss of private investment by the richest companies in America. The Congressional Research Service estimates that the taxpayer is typically liable for 90 percent of the insured investment. Americans have already paid $80 billion to bail out the savings and loan industry; we should not ask them to pay if OPIC’s projects go bad.

These multimillion dollar companies are fully capable of assuming the risk of investing in developing countries. They do not need government insurance of their foreign investments, but the substantial profits they gain from these investments, while American taxpayers are held financially responsible for any potential losses, looks pretty attractive to them.

OPIC is not necessary for investments in emerging and developing markets. In 1998, private capital flows to emerging markets topped $150 billion. U.S. capital outflows to Brazil in 1998 alone were $317 million, yet OPIC offered $317 million worth of insurance to U.S. companies investing in Brazil over the same period.

It has been pointed out by the gentleman from South Carolina (Mr. SANFORD) that the gentleman from Oklahoma (Mr. COBURN), and I would like to state it again: OPIC does not operate at zero cost to the taxpayers. Although OPIC does not receive a direct appropriation, it pays for many of its operations the interest earned on its U.S. Treasury bonds, bonds given to OPIC as seed money when it was established. In 1998, the agency reported $139 million in net income; yet, $193 million of its revenues consisted on interest from its U.S. Treasury bonds, another large government IOU.

Mr. Chairman, I urge my colleagues to support the Andrews-Sanford-Sand-
Mr. CALLAHAN. Yes, Mr. Chairman. The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?
Mr. SANDERS. Reserving the right to object, Mr. Chairman, I was not quite clear, was the gentleman talking about a total of 10 minutes, 10 minutes on each side? What was the gentleman talking about for the Andrews amendment, how much time?
Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?
Mr. SANDERS. I yield to the gentleman from Alabama.
Mr. CALLAHAN. 10 minutes.
Mr. SANDERS. A total?
Mr. CALLAHAN. 10 additional.
Mr. SANDERS. Five and 5?
Mr. CALLAHAN. Yes.
Mr. SANDERS. Mr. Chairman, I object.
Mr. OBEY. Mr. Chairman, if the gentleman will yield, would the gentleman withdraw his objection?
Mr. SANDERS. I withdraw my objection.
The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?
Mr. OBEY. Reserving the right to object, Mr. Chairman, let me ask the distinguished chairman of the subcommittee, we have been told that what has happened is there have been four or five speakers in a row on this, on one side. So we are getting objections, both from that side of the issue, as evidenced by the gentleman from Vermont (Mr.Sanders), and we have objections on the other side of the issue.
Could I ask, would Members on both sides be satisfied if it were 20 minutes apiece?
Ms. PELOSI. Mr. Chairman, will the gentleman yield?
Mr. OBEY. I yield to the gentlewoman from California.
Ms. PELOSI. No, 10 minutes each.
Mr. OBEY. Ten is fine with me, but I am told that we have objections if it is 10 minutes.
Mr. SANDERS. Mr. Chairman, continuing under the reservation of objection, if the gentlewoman will yield, if I could ask the chairman how many speakers does he have left?
Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?
Mr. OBEY. I yield to the gentleman from Alabama.
Mr. CALLAHAN. I do not know. We did not anticipate this amendment would be introduced. We were informed by one of our colleagues, the gentleman from Texas, that he had an agreement with the sponsor of an amendment where it would not be introduced.
Ms. PELOSI. Mr. Chairman, would it be agreeable to all sides if we went 10 minutes on each side, finished it tonight, took the votes, went home and took the rest on Monday?
Mr. CALLAHAN. I want to amend my unanimous-consent request.
Mr. MENEZDEz. Reserving the right to object, Mr. Chairman, under my reservation, unfortunately, I happen to be the ranking member on the authorizing committee on this issue. None of the people who support OPIC have had an opportunity to speak. So depending upon how those 10 minutes are divided, otherwise, I would have to object.
If the 10 minutes are to be divided on behalf of those who have not had any opportunity to speak in favor of OPIC and against the amendment, we may be able to do that, but if the 10 minutes are to be divided between all the parties, I would have to object.
Mr. CALLAHAN. If the gentleman will yield further, Mr. Chairman, I would agree with the gentleman, that the Andrews amendment have already spoken 20 minutes without any opposition having the opportunity to speak, and it is unfair to those of us who disagree with the gentleman’s amendment not to have the same amount of time.
But I do not think the gentleman would agree to give me 30 minutes and take 10 himself. But I also make that request, if the gentleman thinks he would agree.
Mr. SANDERS. Mr. Chairman, I would respectfully object to that. Mr. CALLAHAN. Mr. Chairman, I ask unanimous consent to limit debate to 30 minutes each side of the issue.
Ms. PELOSI. If the gentleman will yield, is that tonight, on Monday?
Mr. SANDERS. Thirty minutes each side tonight?
Mr. CALLAHAN. Fifteen minutes on each side tonight.
The CHAIRMAN. The request of the gentleman from Alabama (Mr. CALLAHAN) is that each side have 15 additional minutes on the pending amendment and all amendments thereto.
Is there objection to the request of the gentleman from Alabama?
Mr. TRAFICANT. Reserving the right to object, Mr. Chairman, would it be out of order to ask unanimous consent, of course we cannot, there is one pending, but for us to go ahead and suspend this, have the 30 minutes debate, have the four votes first, and then conclude with the Andrews amendment?
Mr. CALLAHAN. First, the unanimous consent has to be agreed to by the Chair.
The CHAIRMAN. Is there objection to the request of the gentleman from Alabama, 15 minutes on each side?
Mr. MENEZDEz. Reserving the right to object, Mr. Chairman, let me understand the unanimous consent request again. It is to have 15 minutes on each side of the aisle?
Ms. PELOSI. Each side of the issue.
Mr. MENEZDEz. Each side of the issue?
The CHAIRMAN. The gentleman is correct.
Mr. TRAFICANT. Reserving the right to object, Mr. Chairman, and I will object. I ask unanimous consent that we suspend with the Andrews amendment, that we proceed with the votes, and then they have their 30 minutes to conclude the Andrews amendment, and that vote will be taken Monday.

The CHAIRMAN. The pending request is the unanimous consent request offered by the gentleman from Alabama (Mr. CALLAHAN), limiting time on the pending Andrews amendment and amendments thereto to 15 minutes for each side.

Is there objection to the request of the gentleman from Alabama?

Mr. TRAFICANT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. TRAFICANT. I ask unanimous consent, Mr. Chairman, that the pending amendment by the gentleman from New Jersey (Mr. ANDREWS) be suspended and that the Committee proceed with the votes that have been scheduled.

Mr. CALLAHAN. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from Alabama.

Mr. CALLAHAN. Mr. Chairman, why does the gentleman from Ohio not first establish the amount of time of debate, and we will rise.

The CHAIRMAN. The Chair asks all Members to suspend.

The gentleman from New Jersey (Mr. ANDREWS) would have to, by unanimous consent, withdraw his amendment and get permission in the full House, where a special order has already been entered on permissible amendments, to reoffer his amendment for such a procedure to be permitted in the Committee of the Whole.

The pending amendment is the amendment offered by the gentleman from New Jersey (Mr. ANDREWS).

Ms. PELOSI. Mr. Chairman, in the interest of time, and under the way the 5-minute rule works, that is, people come and it is not divided on each side of the issue, which is the way the 5-minute rule works, the gentleman from Alabama (Mr. CALLAHAN) and I have worked very hard to try to bring something that was honed down, with minimal controversy, to the floor.

Clearly, the House must work its will, and it is done largely with authorizing issues, I might add. I mean debates that have been carried over from the authorizing committee; and that is completely appropriate.

But recognizing all that we have been through today, I ask unanimous consent that each side of the amendment have 10 minutes, and then we take the vote and proceed with the other votes this evening.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

Mr. MEHROTRA. Mr. Chairman, I have to object.

The CHAIRMAN. Objection is heard.

Mr. TRAFICANT. Mr. Chairman, I ask unanimous consent that the pending Andrews amendment be given an additional 30 minutes to be equally divided and that the debate take place after the House has completed its votes on the pending amendments; and any recorded vote, if called by the gentleman from New Jersey (Mr. ANDREWS), would be heard Monday as the first order of business.

The CHAIRMAN. The Chair would inform the gentleman from Ohio (Mr. TRAFICANT) that the Committee of the Whole does not have the authority that the gentleman is requesting.

Mr. CALLAHAN. Mr. Chairman, if we are still in the Committee of the Whole, I rise to speak in opposition to the Andrews amendment.

Mr. Chairman, the effect of the Andrews amendment, which we really did not anticipate would be introduced, especially at this late hour of the night, comes at a surprise because we were of the understanding that he was not going to introduce it.

So with the misinformation that I had regarding that what someone thought was a commitment, I speak against the Andrews amendment because, effectively, what he does, he shuts down the Overseas Private Investment Corporation.

The Andrews amendment would devastate the ability of our American companies from doing business in any foreign country. It would give such tremendous advantage to our foreign competitors, because every one of the G–7 Nations have, in effect, in their country an organization similar to this.

The sponsor of the amendment indicated that OPIC costs us money. In reality, Mr. Chairman, let me tell my colleagues that OPIC makes money. They intend to return nearly $200 million to the Treasury to help us continue to decrease our level of deficit spending. We should compliment organizations such as that.

It would hurt U.S. jobs, because when we have the inability to transfer our technology, to transfer our American interest to foreign countries, those jobs are going to go to other countries. So we are going to lose an estimated 70,000 U.S. jobs alone in the next 4 years.

It would hurt small businesses who contribute to the multifaceted involvement of our American firms doing business in foreign countries.

It hurts our competitiveness. It hurts everything that we stand for with respect to our ability to recognize that we are in a global economy, that if we are going to expand, if we are going to have exports, our American companies must have the same advantages, a level playing field, as does Japan, as does France, as does Germany, as does the Great Britain, and all of the countries that we are competing with for our businesses overseas.

For an example, if General Electric or Westinghouse, if we built a power plant that is not financed by, but guaranteed by OPIC, they do not put some type of Japanese generator there. They put an American generator there. As a result, jobs are created here in the United States of America.

This is not something that is new. It has come up in the past. I am sure it will come up in the future. But the sponsor of the bill, in my opinion, is making a very serious mistake in his amendment, which effectively shuts OPIC down entirely.

It tells the bank, OPIC bank, that they can continue to collect the monies that they are collecting now, but they cannot have any new deposits, they cannot have any new business at all coming in in the future.

So it is a very, very finite move, I think, in the wrong direction.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHood) having assumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 2606) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes, had come to no resolution thereon.