

Mr. VISCLOSKY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Indiana (Mr. VISCLOSKY) will be postponed.

AMENDMENT NO. 56 OFFERED BY MR. PAUL

Mr. PAUL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 56 offered by Mr. PAUL:

Page 2, strike line 21 and all that follows through line 17 on page 3.

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

Mr. PAUL. Mr. Chairman, my amendment strikes the paragraph on page 2, line 21 entitled "subsidy appropriation." I do not believe this Congress should be in the business of subsidizing anyone. We should be protecting the American taxpayer, and we should be protecting the individual liberty of all American citizens, not dealing in subsidies.

This paragraph is found in the bill which is called "foreign operations." It is a subsidy to large corporations, and it is a subsidy to foreign entities and foreign governments. The largest foreign recipient of the foreign aid from this bill is Red China, \$6.2 billion. So if one is for free trade, as I am, and as I voted last week to trade with China, one should be positively in favor of my amendment, because this is not free trade. This is subsidized, special interest trade, and I think that is wrong.

There has been a lot of talk today on the previous amendment dealing with jobs, and jobs are important. We have an economy now that is turning downwards and jobs are being lost. In this bill, this particular paragraph and the Export-Import Bank does deal with jobs.

Those in opposition to my amendment make the point that jobs are enhanced in the big corporations like Boeing. That is true, to a degree, but there is a net loss of jobs because the same entity, the Export-Import Bank, literally exports jobs by subsidizing and loaning money to foreign entities that compete with us. Not only does some of this money end up in the hands of our competitors and hurt us here at home, but it ends up in the hands of our potential enemies. This is the reason why we should be out of the business of the Export-Import Bank.

It has been said that this is a benefit to so many small corporations. In the last 2 years, more than half of the Export-Import Bank money went to Boeing. So it is not surprising that the gentleman early on mentioned that yes, he would not mind it if all of it went to Boeing. It is said that 85 percent of the money in the individual loans goes to smaller corporations. That is true, but 86 percent of the money goes to the giant corporations.

So the big bucks serve the big interests who lobby us and spend a lot of time influencing Washington.

There is a lot of mal-investment in the economy, misappropriation of money and investments that generates overcapacity, which is a consequence of monetary policy. It is a serious problem; and we are today facing the consequence, because we are now moving into a rather severe recession. But at the same time, export financing compounds that problem. It adds on to it because it is an allocation of credit.

This argument that we create jobs is fictitious. We do not create jobs; we shift jobs, from the weak to the powerful. We do not create a new job by stealing, taking out \$75 billion worth of a line of credit from the banks and giving it to special interests. Yes, it looks like they are getting a benefit, but the little guy does not have access to that amount of money. Why should the banks not loan Export-Import Bank money to the large corporations. They are protected. They are insured. Who insures them? The taxpayer. It is a rip-off. The taxpayer suffers all of the risks.

Now, if the deal is successful and there is no economic calamity in the country where we go and there is no political crisis, then who makes the profits? Corporations make the profits. It is the best deal going for large corporations.

If we oppose corporate welfare and think we ought to address it on principle and decide whether or not the Congress and the U.S. Government and the taxpayers should be in this type of business, we have to vote for my amendment to get us out of this business. This does not serve the interests of the general welfare of the people. This is antagonistic toward the general welfare of the people. It costs the taxpayer's money, it puts the risk on the taxpayer, it serves the interests of the powerful special interests. Why else would they come with their lobbying funds? Why else would they come with their huge donations to the political action committees, unless it is a darn good deal for them?

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They say it is a good deal for Boeing workers, but in 1995 there was a strike by the machinists against Boeing because Boeing agreed to buy the tail portion of the 737 from Red China.

We are certainly losing jobs to Red China, Mexico, and other places. I do not mind it if that is a market consequence, but when it is done at the expense of the American taxpayer and it hurts us, we should not do it.

Mrs. LOWEY. Mr. Chairman, I rise in opposition to this amendment. The Export-Import Bank is a vital tool for helping United States businesses export United States goods. It should not be eliminated.

In an ideal world, governments around the world would not subsidize their exports, and the United States

would not, as well. However, we all know that other countries sometimes engage in ruthless trading practices, and we must give the United States exporters the tools to compete. As long as exporters in Europe and elsewhere are getting assistance, the Export-Import Bank will be a vital tool for American exporters.

Recent trends show that export financing is becoming more, rather than less common, and major trading nations increased their government-provided export credit by 30 percent between 1993 and 1998. Total credit reached \$488 billion in 1998 from other nations, while Export-Import Bank credits totaled just \$14 billion.

Given the huge and growing trade deficits we face, it is imperative, in my judgment, that we give our exporters assistance to remain competitive in world markets.

I have questioned and will continue to question some of the Bank's practices and procedures, and the committee will continue to recommend appropriate funding levels for the Bank based upon our oversight and review of these practices.

However, eliminating them entirely, as this amendment proposes to do, would inflict serious harm on United States exporters, and I urge my colleagues to oppose this amendment.

Mr. BEREUTER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the gentlewoman from New York has just given some of the reasons, with data, to oppose this amendment. This is a draconian amendment. It eliminates the Export-Import Bank's transaction program altogether. It ends it. It is abject, total, unilateral disarmament.

Mr. Chairman, the American Export Credit and Guarantee Agency of the Export-Import Bank is already underfunded as compared to the similar institutions from other major export countries of Europe, Japan, and even elsewhere. We are outstripped as it is.

In a perfect world, we would not have to have subsidy, but we are dependent to a major extent in our economy on our job base, on being able to export. We have negotiated, with some success, rules for the use of subsidies by the major export countries through the OECD. We have not completely tied that down, if I may use that down, on tied aid. We still have to have a war chest the administration is about to use.

But this is not a perfect world. If our exporters are to compete, if we are to build and sustain a job base in this country, we must have an effective, properly funded Export-Import Bank in this country. This would totally eliminate it.

I would say that the gentleman is not guilty of doing things halfway. He goes all the way on a proposal.

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

Mr. BEREUTER. I yield to the gentleman from Texas.