

to debate as well in the Committee of the Whole House.

The LaFalce amendment, for example, will finally rename the agency to indicate what it does, and that is to make it the U.S. export agency, because this agency has nothing in the world to do with imports. This is an export arm of the American economy and of the American Government.

I thank my colleague for yielding me this time.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. HASTINGS].

Mr. HASTINGS of Florida. Mr. Speaker, I thank the gentleman for yielding, and I would like to associate myself with the remarks of the gentleman from California [Mr. DREIER] and the gentleman from Massachusetts [Mr. MOAKLEY], the ranking member.

Some of us have some concerns with section 9, and the administration has expressed such, which requires the Bank to establish procedures to ensure that firms committed to job creation and reinvestment in the United States be given preference for receiving financial assistance.

The Bank is dedicated to the preservation and expansion of the U.S. jobs. In pursuing this goal, the Bank provides guarantees and loans to credit-worthy foreign buyers of U.S. goods. Therefore, the bank evaluates foreign buyers, not U.S. firms. Because it is the foreign buyer that chooses the exporting company, the Bank is not in a position to decide if the U.S. firm has made the commitment called for in the bill.

Also by way of amendment, I am hopeful, and I believe the administration would be as well, of addressing the concerns expressed in section 5 which would have the effects of statutorily selecting the Bank's ethics official. This selection would undermine the effectiveness of the executive branch ethics programs by eliminating one of its basic requirements; that is, that the agency head is ultimately responsible for the conduct of the agency's employees.

I am just back, as a member of the Committee on International Relations, from a meeting of the Organization for Security and Cooperation in Europe. The Eximbank is most active in the big emerging markets such as Asia, Latin America, Eastern Europe, and the Newly Independent States. I call on my colleagues here to be mindful that places like Uzbekistan, Tajikistan, or a number of the Newly Independent States in the Transcaucasus would benefit from the Eximbank, and what we would and could do by not supporting it would be to unilaterally disarm and allow our competitors free access to emerging markets.

Mr. DREIER. Mr. Speaker, I yield 1 minute to the gentleman from Syracuse, NY [Mr. WALSH].

Mr. WALSH. Mr. Speaker, I thank my friend from California for yielding me the time.

I would also like to thank our majority leader, the gentleman from Texas [Mr. ARMEY], for allowing this bill to get to the floor. It is very timely. This legislation, the reauthorization expires today. That would be a real shame, and it would cause great difficulty for many American corporations and American workers.

I speak in favor of the rule and the bill. The Export-Import Bank was established in 1934 and requires periodic rechartering by the Congress. As I said, today the bill, the reauthorization, expires so we have to act on it quickly. This event would be unprecedented in the Bank's 64-year history and extremely harmful to the competitiveness of U.S. exports. The export authority, export financing provides direct loans, loan guarantees, and insurance which enables American exporters to make creditworthy sales when other sources of financing are unavailable. As my colleague from Florida mentioned, the competitive factor is vital in large emerging areas such as Asia, Latin America, and the Newly Independent States of Eastern and central Europe.

We feel the Export Bank represents the best kind of performance-based Federal program in which modest resources enable American businesses to compete for otherwise lost markets. I urge my colleagues to support this legislation, to reject all weakening amendments. This is a job creator.

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Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me this time. Later on in the course of the debate I will be talking about why I will support this legislation today, but let me just deal with some of the issues that my friends on the other side have raised which we should all be aware of when we talk about the Export-Import Bank.

The fundamental issue is whether working families in this country, who for many years have seen a decline in their real wages, people are working longer hours and are earning less, should be putting tens of millions of dollars in helping large multinational corporations who over the last 15 years have laid off hundreds of thousands of American workers. That is an issue we have to focus on.

The Boeing Co., which is the major recipient of this program, has laid off over 52,000 workers between 1990 and 1996. General Electric, which is taking jobs all over the world, hiring people at 50 cents an hour, laid off 153,000 workers from 1975 to 1995. AT&T laid off 127,000 workers. Are these the companies that the middle class taxpayers of this country should be supporting? I think there are real questions about that.

Now, some of my friends say, well, we need a level playing field. They are

doing it in Europe and they are doing it in Japan. And there is truth to that argument. But there is another side to that story, and that is that corporations in Japan and corporations in Europe have a different ethic in many ways. Their systems are different.

In Europe they have a national health care system guaranteeing health care to all people. In Europe, German workers make 25 percent more than manufacturing workers do in the United States of America. In Europe, in many of those countries college education is free, not \$25,000 or \$30,000 a year. In many of those countries corporations pay significantly more in taxes than do companies in this country pay.

So what we have is corporations are coming in here and saying, help us with Exim programs, we need some help, but of course we want to pay less in taxes. We want to pay our workers lower wages. We want to move our jobs to Mexico or to China, but we really would like this form of corporate welfare.

Within the Committee on Banking and Financial Services I have successfully put in an amendment which begins to address some of these problems. Let me be very clear. If that amendment is taken out in conference committee, I will lead the effort in this body to defeat the Exim reauthorization. With the amendment, I think we will make some progress in saying that the companies that we are supporting should be companies who are reinvesting in America, who are trying to create jobs in America, and are not taking our jobs to China or Mexico.

Mr. DREIER. Mr. Speaker, I yield 6 minutes to the gentleman from Surfside Beach, TX [Mr. PAUL], who is a member of the Committee on Banking and Financial Services and joins me as an outspoken proponent of unfettered free trade.

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

Mr. PAUL. Mr. Speaker, I thank the gentleman for yielding me this time, and I appreciate the characterization of the benefits from the Export-Import Bank as being export subsidies because we are talking about subsidies.

Generally speaking, we on this side of the aisle are against subsidies, especially if the subsidies are for the poor people. I just suggest we should question whether we should oppose subsidies for the rich people as well.

So I rise in support of the rule. There could be a better rule but, under the circumstance, I support the rule but I do not support the legislation. There are very good economic and there are very good moral reasons why programs like this should not even exist.

I do want to take a moment to talk about something else I think is very important. Sometimes I think if one takes themselves too seriously around here one would become depressed, and I try very hard not to be depressed. But

I found something in the committee report that I think is very, very interesting.

We have a House rule that says that in the committee report on legislation, when it comes up, we have to explain which part of the Constitution justifies what we do here. Of course, there is legislation that is proposed that if we pass the legislation it would be the law and we would have to answer to that antiquated document, the Constitution. I happen to be so old-fashioned as to believe that if we were all as serious about the Constitution, all we would have to do is vote the Constitution and those convictions each day and we would not need rules or laws.

But nevertheless I think it is interesting to note exactly where the constitutional authority comes from for the Export-Import Bank. Of course, the old standby is the general welfare clause. We do this for the general welfare of the people. But if we think about it, we are using taxpayers' money, we are using subsidized interest rates, we are benefiting certain companies, and we do benefit the foreign recipients and many times these are foreign governments, so they are not the general welfare. If it is a cost to the taxpayer, we are doing this at a penalty of the general welfare, not to the benefit of the general welfare.

This is a wastebasket used especially in the 20th century as a justification for doing almost anything in the Congress. But then the justification goes on, and I find this even more fascinating. Of course, the other justification is the power to regulate commerce.

Well, regulating commerce between the States, actually the commerce clause was written to deregulate and make sure there were no impediments against trade, so we cannot under the Constitution regulate trade. But that does not say subsidize certain people at the expense of others. So that was a giant leap in the 20th century where the regulation of commerce permits us to do almost anything.

It certainly rejects the whole notion and challenges the whole concept of the doctrine of enumerated powers. So we either have a Constitution where there is a doctrine of enumerated powers or we do not. The document is very clear. It delegates powers. The powers are very limited and they are numbered. They are enumerated.

But today, if we casually look at the welfare clause, and if we casually look at the regulatory clause on commerce, we here in the Congress, under that understanding, we can do just about anything. And what happens? We do just about anything. And that is why our Government is so big and our regulatory bodies are so huge and we have tens of thousands of pages of regulations, because we have so little respect for the document that we should be guided by.

But there is another justification, according to the committee report, as to why we should and are permitted to

pass legislation like the Export-Import Bank. Now, this one has to catch somebody's interest and it has to be slightly humorous to somebody other than myself.

In addition, the power to coin money and regulate its value gives us the justification to give subsidies to big corporations, to benefit companies overseas, to take credit from one group and give it to another, and to steal the money from the people through an oppressive tax system in order to provide these subsidies. And yet the justification is to coin money?

The Constitution still says that all we can do is use gold and silver as legal tender. Since we do not do that, we should have changed the Constitution. We should do one or the other. But to use the coinage clause to extend credit is a stretch beyond belief. It says, though, that the courts have broadly construed this to allow Federal regulation, the provision of credit, to provide credit.

Well, this is exactly opposite of what the founders said and exactly opposite of one of the major reasons why we had the Constitutional Convention. This power that they take through the coinage clause in order to extend credit is exactly opposite of the provision in the 1792 Coinage Act, which says we have to protect against counterfeiting, and anybody who would be so bold as to debase the currency and ruin the value of the money, there was a death penalty mandated.

But here we casually give to our agencies of government this authority under the coinage clause to provide credit. Credit is nothing more than the dilution of the value of money. And believe me, long term, this is detrimental.

Later on in the general debate, I would like to address the economic issues as well.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Speaker, if this was an ideological debate or an attempt at evolving a philosophy for the operation of the globe, we might want to discuss, in a theoretical sense, how government got to this point and where government should go. But this is a very practical life lesson for survival we are involved in.

The United States of America does very well in international trade. We have some very tough competitors. And, frankly, this is one of the few tools we have to prevent those international competitors from just rigging the system against American workers. We can talk about American companies, and sometimes there are differences in the interests of the company and the workers, but in this case the workers' and the companies' interests are joined. If we do not sell the product, that company loses but the workers are unemployed.

When we look at large capital areas, for a while the French, the Japanese,

and others were simply stealing markets as the American trade representatives and American financial institutions were asleep at the switch. What we had time and time again was the Americans making a better product at a better price, but the French came in with 1-percent financing, or the Germans came in with no-percent financing, or the Japanese gave a kicker to begin the program.

Well, over the last decade we have started responding. As a result of that, we have brought back market share to this country, and that has indeed helped companies. It has helped the strength of the American dollar, I would say to my friend from Texas, and it has helped American workers. It is not just large companies, although oftentimes we need to use the threat of Eximbank financing to back off other countries trying to take away American projects by subsidized financing.

It is small companies as well. In Thompson, CT, Neumann Tool, a small family-held company, has been helped by Eximbank. Companies slightly larger, but still relatively new companies that are in international trade, like Gerber Garment and Technologies in Tolland, CT, they have been helped when they were facing partnerships between governments and corporations in other countries.

If we could stop all the other countries from subsidizing interest rates and financing around the world, we could talk about ending these programs. But unless we want to give away major markets to Asia and Europe, then we need this tool to protect American employment. That is what I see this program as.

What happens in the headlines is that we get "Eximbank Finances Airplane Sale." What we really get are workers in America being able to compete internationally because they are not disadvantaged by a world that used to exist, where only the other side had some financing institutions to help save jobs.

Mr. DREIER. Mr. Speaker, I yield 3 minutes to the gentleman from Langley, WA [Mr. METCALF], a member of the Subcommittee on Domestic and International Monetary Policy of the Committee on Banking and Financial Services.

Mr. METCALF. Mr. Speaker, the Boeing Co. was mentioned by a previous speaker. By the way, right now Boeing Co., in my district and in my State, is hiring workers as fast they can right at this moment.

To get to the Export-Import Bank, it is one of the most important tools that we have to help the United States compete in the international marketplace. For more than 60 years, Exim has supported more than \$300 billion in U.S. exports, and has more than met its primary goal of preserving and creating jobs in the United States and working to level the playing field against aggressive subsidized foreign competition.