

to focus attention on the needs of child abuse victims by enhancing coordination and support among community agencies and professionals involved in the intervention, prevention, prosecution, and investigation systems that respond to child abuse cases.

Children's advocacy centers are child-focused, facility-based programs that use multidisciplinary teams to coordinate judicial and social service systems' response to victims of child abuse, Mr. Speaker.

My motion instructs conferees to remain firm on the House position of \$7 million for Victims of Child Abuse programs. These programs are working and working well and deserve this level of funding.

Mr. Speaker, I reserve the balance of my time.

Mr. ROGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have no objection to the motion.

Mr. MOLLOHAN. Mr. Speaker, I yield back the balance of my time.

Mr. ROGERS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER. The question is on the motion to instruct offered by the gentleman from West Virginia [Mr. MOLLOHAN].

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Without objection, the Chair appoints the following conferees:

Messrs. ROGERS,
KOLBE,
TAYLOR of North Carolina,
REGULA,
FORBES,
LATHAM,
LIVINGSTON,
MOLLOHAN,
SKAGGS,
DIXON, and
OBEY.

There was no objection.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2267, and that I may include tabular and extraneous material.

The SPEAKER pro tempore (Mr. SHAW). Is there objection to the request of the gentleman from Kentucky?

There was no objection.

REAUTHORIZATION OF THE EXPORT-IMPORT BANK

The SPEAKER pro tempore. Pursuant to House Resolution 255 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for further consideration of the bill, H.R. 1370.

□ 1812

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1370) to reauthorize the Export-Import Bank of the United States, with Mrs. EMERSON, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, amendment No. 7 printed in House report 105-282 offered by the gentleman from Minnesota [Mr. VENTO] had been disposed of.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN pro tempore. Pursuant to House Resolution 255, proceedings will now resume on those amendments on which further proceedings were postponed in the following order: Amendment No. 4 offered by the gentleman from California [Mr. ROHRBACHER] and amendment No. 5 offered by the gentleman from California [Mr. ROHRBACHER].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

□ 1815

AMENDMENT NO. 4 OFFERED BY MR. ROHRBACHER

The CHAIRMAN pro tempore (Mrs. EMERSON). The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California [Mr. ROHRBACHER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was refused.

So the amendment was rejected.

AMENDMENT NO. 5 OFFERED BY MR. ROHRBACHER

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on amendment No. 5 offered by the gentleman from California [Mr. ROHRBACHER] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN pro tempore. The question is on the Committee amendment in the nature of a substitute, as amended.

The Committee amendment in the nature of a substitute, as amended, was agreed to.

Mr. PAUL. Mr. Speaker, H.R. 1370, reauthorizing the Export-Import Bank, should be

rejected for several reasons. The claim to constitutionality is dubious. The Bank rewards special interest groups with political favors. Reallocating money from the job-producing, productive sectors of the economy to the less efficient sectors distorts credit allocation. Reauthorization of the Bank is both bad economics and bad politics.

Article I section 8 of the U.S. Constitution enumerates areas over which Congress has authority. The ninth and tenth amendments further reinforce that powers not vested in the U.S. Congress are reserved to the States or to the people. The fifth amendment of the Constitution forbids the taking from the people in order to subsidize the business of the politically well-connected. It is not through free trade that the Government subsidizes the politically well-connected. Rather, it is through such organizations as the Eximbank.

The justification of H.R. 1370 under the general welfare clause of the Constitution stretches the imagination of the intent of the Founding Fathers. Nowhere in the authors' dreams could the general welfare clause be used to tax all American individuals in order to give corporate welfare to a few, specific, large political donors. The supporters of the bill have not satisfactorily explained how the authorization of the Eximbank could be justified as regulating commerce. To construe Congress' power to coin money so broadly as to include the Federal regulation of the provision of credit by creating and perpetuating the Eximbank threatens the intrinsic value of American money itself. As former Federal Reserve Chairman Paul Volcker pointed out, "The truly unique power of a central bank, after all, is the power to create money, and ultimately the power to create is the power to destroy." Even if Congress has the constitutional authority to destroy money incident to its enumerated authority to coin, this is not to say it should do so through the reauthorization of the credit-misallocating Eximbank.

The U.S. Government takes money from its citizens through taxes to subsidize other nations' purchases. Very often, our Government subsidizes the purchases by foreign governments, such as the People's Republic of China or other brutal regimes, whose practices many Americans find objectionable. In fact, according to the Export-Import Bank's 1996 Annual Report, the People's Republic of China was the second largest recipient country of U.S. Eximbank loans or loan guarantees; American taxpayers subsidized \$4.1 billion of mainland China's purchases. It is one thing to permit voluntary exchanges between citizens of different countries but quite another to coerce the American taxpayer to subsidize the purchases of a country whose practices offend many. Such practices can best be explained by considering the way in which the Eximbank operates.

Maria L. Haley, one of the five Bank directors, is a long-time friend of Bill from Arkansas who ran then-Gov. Clinton's program to attract foreign investment in the state. She advocated approval of loans to Pauline Kanchanalak (a Thai native living in Virginia) to set up Blockbuster video stores in Bangkok, Thailand. The Eximbank has never approved financing for franchise rights; retail stores abroad do not create U.S. jobs. Ms. Kanchanalak contributed \$85,000 on June 18, 1996, the same day DNC fundraiser John Huang arranged for her to be invited to a White House coffee. Mr.

Huang called her that day and twice more in August. The DNC eventually returned \$250,000 of Ms. Kanchanalak's donations because of questionable foreign origin. It is clear that the Bank sometimes acts as a slush fund to repay political favors—it is, however, not their money to lend. It is the taxpayers' money.

The act of the government taking from its people to return only part of it—and that part with strings attached—is another sign of the so-called Nanny State. The strings are meant to induce the welfare or subsidy recipients to act in a manner that another group of individuals, through the coercive power of the State, subjectively consider desirable. A "Bully State" might be a better characterization of such a government. The Frank amendment rightfully acknowledges this fact and attempts to maintain some form of equality of discrimination.

The section added by Rep. Bernard Sanders makes an effort to address the charge that the Bank uses taxpayer dollars from both individuals and job-producing small businesses to fund large corporations that export American jobs or downsize their workforce here. If money is to be taken from the paychecks of our citizens, then it should at least be spent on companies showing a commitment to reinvestment and job creation in the United States.

That the Eximbank works at cross-purposes with our stated foreign policy objectives is clear. The bank supports state-owned and military-controlled companies in foreign nations at the same time that our foreign policy calls for the privatization of the same companies and limitations on the activities of many foreign military companies. Amendments correcting these problems should be favorably considered by the House.

The supporters of the Export-Import Bank will point to the few examples of claimed jobs created through subsidized exports of the beneficiaries of their programs. They will be conspicuously silent on the greater number of jobs lost or forgone, dispersed throughout the country, due to the increased tax burden levied on the productive companies to support the less efficient companies living on government subsidies. The few beneficiaries of government largesse are easier to identify than the no less real, but harder to identify, losers of the government's misguided policies.

The funding for the Export-Import Bank affords politicians the opportunity to pay back their contributors with other people's money. By voting for reauthorization of the Bank, those individual politicians that depend on the political support of the few large companies subsidized at taxpayer expense can return the favor. This Congress should put a stop to this special interest favoritism. The Congressional Research Service, in a recent report, noted that the Bank's "subsidized export financing raises financing costs for all borrowers by drawing on financial resources that otherwise would be available for other uses."

Small businesses that are the engine of export growth and job creation in this country subsidize the larger corporations that are shedding jobs in America. This misallocation of credit occurs because the larger corporations have the resources to lobby politicians in order to seek special favors that are out of reach of the smaller businesses. These lobbyists will claim that these special interest subsidies are important to the country. Yet with

over \$600 million funding for the Bank, only \$20 billion of our total U.S. exports of \$700 billion are subsidized.

Arguments that we must reauthorize the Bank because it creates jobs, generates economic growth, and counterbalances the subsidies of our major trading partners is not supported by objective economic data:

Country	Percent of country's exports subsidized ¹	Percent rate of real GDP growth ²	Percent rate of unemployment ²
Japan	32	0.7	3.1
France	18	2.2	11.6
Canada	7	2.2	9.5
Germany	5	2.1	9.4
Italy	4	3.0	12
U.K.	3	2.4	8.2
U.S.A.	2	2.0	5.6

¹ Export-Import Bank, 1995 figures.
² Bureau of Economic and Business Affairs, 1995 figures.

It would be difficult for anyone but the most committed statist to argue that the dirgiste wonders of government bureaucrats could be demonstrated by macroeconomic statistics. However, if there is a broad relationship, it is directly inverse to the relationship the central planners envision.

In 1995, according to Export-Import Bank data, Japan subsidized 32 percent of its exports and France subsidized 18 percent while the United States only aided 2 percent of total exports. However in the same year, according to figures from the Bureau of Economic and Business Affairs, Japan's real growth in Gross Domestic Product registered a paltry 0.7 percent against a solid 2.0 percent here in the U.S., and France had an unemployment rate of 11.6 percent, more than double the American rate of only 5.6 percent. Perhaps, following the logic of the Bank's supporters, we should increase the portion of our subsidized exports to nine times the current level (with the accompanying tax increases) to double our unemployment rate, and, if that isn't desirable, we could double that rate of subsidy (again with the increased tax burden) to cut our economic growth rate to one-third its current level. We should not jump off the bridge of special interest corporatism just because our competitors do.

"Corporate welfare does not work anywhere in the world. It does not work because it penalizes a country's winners with excess taxes in order to fund that country's losers with inefficiently run government programs," testified Dr. T.J. Rodgers, President and C.E.O. of Cypress Semiconductor Corporation, before Congress in 1995. "'They've got subsidies; we need subsidies,' is exactly wrong. America will be much more competitive on a relative basis if we allow the nations with whom we compete to squander their taxpayer's money, while we encourage our companies to win without subsidies. It's like the Olympics: there comes the day when an athlete must walk alone into the arena of competition. The government cannot lift the weights and run the miles that are required to be a champion—only an individual can."

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. SHAW] having assumed the chair, Mrs. EMERSON, Chairman pro tempore 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. 1370) to reauthorize the Export-Import Bank of the United States, pursuant to House Resolution 255, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SMITH of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 378, nays 38, not voting 17, as follows:

[Roll No. 492]
 YEAS—378

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|--------------|-------------|---------------|
| Abercrombie | Canada | Doyle |
| Ackerman | Cannon | Dreier |
| Aderholt | Capps | Dunn |
| Allen | Cardin | Edwards |
| Archer | Carson | Ehlers |
| Bachus | Castle | Ehrlich |
| Baesler | Chambliss | Emerson |
| Baker | Chenoweth | Engel |
| Baldacci | Christensen | English |
| Ballenger | Clay | Ensign |
| Barcia | Clayton | Eshoo |
| Barrett (NE) | Clement | Etheridge |
| Barrett (WI) | Clyburn | Evans |
| Bartlett | Collins | Everett |
| Barton | Combest | Ewing |
| Bateman | Condit | Farr |
| Becerra | Conyers | Fattah |
| Bentsen | Cook | Fawell |
| Bereuter | Cooksey | Fazio |
| Berman | Costello | Filner |
| Berry | Coyne | Flake |
| Bilbray | Cramer | Foley |
| Bishop | Crane | Forbes |
| Blagojevich | Crapo | Ford |
| Bliley | Cubin | Fowler |
| Blumenauer | Cummings | Fox |
| Blunt | Cunningham | Frank (MA) |
| Boehlert | Danner | Franks (NJ) |
| Boehner | Davis (FL) | Frelinghuysen |
| Bonilla | Davis (IL) | Frost |
| Bono | Davis (VA) | Furse |
| Borski | Deal | Gallegly |
| Boswell | DeGette | Gejdenson |
| Boucher | Delahunt | Gekas |
| Boyd | DeLauro | Gibbons |
| Brady | DeLay | Gilchrest |
| Brown (CA) | DeLums | Gillmor |
| Brown (OH) | Deusch | Goode |
| Bryant | Diaz-Balart | Goodlatte |
| Bunning | Dickey | Goodling |
| Burr | Dicks | Gordon |
| Burton | Dingell | Goss |
| Buyer | Dixon | Graham |
| Callahan | Doggett | Granger |
| Calvert | Dooley | Green |
| Camp | Doolittle | Gutierrez |