

lost, and millions of dollars in tax revenue would be unavailable to our States and local communities.

Since its inception in 1971, OPIC generated over \$58 billion in U.S. exports, created more than 237,000 jobs. It operates on a self-sustaining basis and actually provides funding authority to pay for the humanitarian development and anti-narcotics programs contained in the legislation we are now debating.

Accordingly, I urge my colleagues to oppose the Andrews amendment.

Mr. ANDREWS. Mr. Chairman, I yield 3 minutes to my friend, the gentleman from Alabama (Mr. BACHUS).

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

Mr. BACHUS. I yield to the gentleman from Ohio.

Mr. KASICH. Mr. Chairman, let me just make one thing very clear about OPIC making money. OPIC holds government bonds. The Department of the Treasury of the United States then pays interest on the government bonds.

So when we talk OPIC making profit, the profit is being paid for by taxpayers to an organization that holds government bonds. It has nothing to do with making money or having a profit.

So let us just be clear about the fact that we use this terminology carefully. We know this is a very tough fight here because it is right at the heart of subsidies to the most powerful, and we understand that it is hard to win that. But I think it is very important that when we have this debate that we be clear about it.

I am not suggesting for a second that anybody is trying to distort the truth. We have just got to get the facts about what profits are all about. It is not about any government operation making money in the marketplace. It has to do with taxpayers giving them money that then gets scored as extra money, which some call profits. That is in error. So we ought to be clear about what this organization actually does.

Mr. BACHUS. Mr. Chairman, reclaiming my time, I would say, as chairman of the Subcommittee Domestic and International Monetary Policy, I would join the chairman in his assessment on the profit it makes.

Now, we have heard that OPIC helps American workers, and we have heard that it hurts American workers. I want to focus on that one claim.

Let us look at one of these transactions. In 1997, OPIC financed the building for Levi Strauss of a garment-making factory in Turkey, a \$29-million guarantee, because they did not want to finance it themselves and private insurers would not do it.

Well, what happened when Levi Strauss built that factory? They laid off 6,400 workers at U.S. garment-making factories in 11 locations in the United States.

Now, do my colleagues think that those 6,400 employees, if any of them are listening today, that they will buy this argument that we are creating jobs? We lost those jobs. And not only

did we lose those jobs, but the Labor Department had to go in, and let me tell my colleagues what they had to do. They had to provide unemployment assistance, and they also had to provide trade adjustment assistance because of the Levi Strauss factory which had been built in Turkey, financed by OPIC.

I strongly urge support of this amendment.

Mr. CALLAHAN. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Missouri (Mr. BLUNT), the chief deputy whip.

Mr. BLUNT. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in opposition to the amendment.

As the gentleman from New Jersey (Mr. MENENDEZ) and others have talked about, we are in a global economy. OPIC does open markets. OPIC has helped create jobs in this country. And OPIC charges premiums. OPIC charges premiums.

One of the big criticisms of OPIC is that the premiums are too high and that is why they have \$3.3 billion in reserves. Now, if the premiums are too high and the private sector would be interested in going into these areas, why is it not there?

OPIC fills a void that the private sector will not go into if OPIC is eliminated. They will go into troubled countries. They go into countries that insurance companies of a private nature will not go into. These premiums have generated \$139 million last year. They are expected to generate \$200 million this year.

OPIC's claims because of the way OPIC is funded become a priority whenever these troubled countries try to re-establish relationships with the United States.

No private company would have that great advantage in settling claims. That is why OPIC does not lose money. That is why OPIC does encourage trade. That is why OPIC works. That is why the private sector will not replace it if it is eliminated.

I urge my colleagues to vote against this amendment.

Mr. ANDREWS. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. PAUL).

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

Mr. PAUL. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I rise in strong support for this amendment. If it were true that this agency is profitable, we would not be here. They would be making profit, and OPIC would not need to come here every year.

They are asking for \$55 million. Where does the profit come from? It was stated earlier very clearly; from the interest they earn. They have a portfolio of \$3 billion of U.S. securities.

But these did not reduce the national debt. That is part of the national debt.

We pay interest on that \$3 billion. And this agency gets \$194 million from it, four times the amount of the requested appropriation.

No wonder on paper it looks profitable. And they say, well, the private companies will not insure some of these projects. That means it is probably risky. Why should the taxpayer assume the risk? Why should these corporations be protected with this corporate welfare?

This is the reason why jobs are exported at a cost to the American taxpayer. It is bad economics. And it is a lot of twisting of the facts if we call this agency profitable at the same time they are getting \$194 million that we barely talk about.

How many other agencies of government get interest like this? This is almost a government unto itself, the fact that it has that much financing without even a direct appropriation because it is paid out of the interest budget.

This is indeed a very important amendment. I believe that we should definitely vote for this. If we care at all about the taxpayer of this country, we should expose what is happening with corporate welfare.

The little people are not coming to us today begging us to vote against this amendment. It is the corporations, the giant corporations, not our small mom-and-pop businesses. They are not coming and saying, please, please protect OPIC. No, it is the giant corporations that have been able to manipulate and get benefits from programs like this.

The CHAIRMAN. The gentleman from Alabama (Mr. CALLAHAN) has 2 minutes remaining. The gentleman from New Jersey (Mr. ANDREWS) has 2 minutes remaining. The gentleman from New Jersey (Mr. MENENDEZ) has 3½ minutes remaining. The gentleman from Alabama (Mr. CALLAHAN) has the right to close.

Mr. MENENDEZ. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. BENTSEN).

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

Mr. BENTSEN. Mr. Chairman, the reason why we have this insurance program is the same reason why we have the HUD insurance program for homeowners in this country, low-income homeowners, because the marketplace does not provide for it, just as my colleague from Missouri just said.

The other reason we have this program is because our trading partners around the world do this and do it a lot more. So if we are to pass this amendment and unilaterally withdraw from being a competitive trading Nation, we will only drive up the imports in this country, drive down the exports from this country, and cost Americans jobs.

By passing this amendment, we will not do anything to bring capital back into this country. OPIC is used in my district where we have companies that are looking for new markets to get into.