

had 7½ minutes of debate remaining, and the gentleman from Nebraska (Mr. BEREUTER) has 15 minutes remaining.

Mr. BEREUTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment offered by the gentleman from Vermont (Mr. SANDERS) has deceptive appeal. One would think it seems quite reasonable, and I have gone through this process with the gentleman from Vermont (Mr. SANDERS), and initially did not recognize some of the very real problems with the amendment; but they are real. Therefore, I rise in strenuous opposition to the amendment by the gentleman from Vermont (Mr. SANDERS).

The goal of protecting U.S. jobs is highly commendable. However, this amendment may actually result in U.S. jobs being lost or sent overseas. As I pointed out in general debate, corporations, American and others, are generally footloose these days. If in fact they cannot export successfully against competitor exporters from other countries, they may well have encouragement to move those jobs abroad. But by the use of the Export-Import Bank, we are encouraging the continued production of products and services in this country for export abroad.

Now, the adoption of this amendment would limit the ability of U.S. companies to compete in the global marketplace. If we reduce the number of firms eligible for Ex-Im financing through this amendment, we will also reduce the number of U.S. workers who manufacture U.S. goods or provide services for export. We simply cannot look at it and say if they have actually moved this many jobs by their action in the past, that is inappropriate. We hate to see any jobs exported, and one of the reasons we try to negotiate under multilateral terms better arrangements for trade in this country is to keep those jobs in this country and to reduce the disincentives for American firms to have their manufacturing and services produced in this country.

Without Ex-Im financing, in short, U.S. jobs will be forced to move abroad. It is not surprising when we think about it that this legislation is actually supported by John J. Sweeney, the president of AFL-CIO who says, "As far as we are concerned, corporations which receive subsidies from the Export-Import Bank are merely vehicles through which jobs and income for American workers are created."

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

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

Mr. SANDERS. When did Mr. SWEENEY make that statement?

Mr. BEREUTER. In 1997 with respect to Export-Import Bank.

Mr. SANDERS. Mr. Chairman, that was 1997. We are in the year 2002.

Mr. BEREUTER. The International Association of Machinist and Aero-

space Workers, of course, supports the legislation, and that is very current.

The Sanders amendment is really contrary to the rest of U.S. trade policy which seeks to open foreign markets to U.S. firms for increased trade investment. A U.S. company that receives less Ex-Im financing may be inclined to move those operations abroad. The requirement for an applicant to provide the information sought by the Sanders amendment is overly burdensome, and would make applying for Ex-Im financing too costly for many companies. I think their alternative is to simply take those export jobs abroad, and then try to penetrate those third-country markets.

Mr. Richard Christman, the president of Case N/H, an agricultural business, stated in a hearing before the Committee on Financial Services that one of the factors in deciding to maintain combine production in the U.S. and not to move it to Brazil was the potential availability of Export-Import Bank financing. Those are real jobs maintained by the existence of the Export-Import Bank. I will come back to that in a few minutes, but I remind Members that really we are talking about the subsidy of U.S. worker jobs here—it is not corporate welfare.

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

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to dialogue with the gentleman from Nebraska (Mr. BEREUTER). Jack Welch is the former CEO of General Electric, and this is what he said. "Ideally what you want is to have every company on a barge." This is a man who advertised to the world that he is taking American jobs all over the world, laying off American workers. Why would we give a company like that Export-Import Bank money?

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

Mr. SANDERS. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, certainly I am not enthused about it, but to the extent that GE can keep jobs here because of export, those are jobs that are left in New York State.

Mr. SANDERS. But, Mr. Chairman, they have laid off hundreds of thousands of workers.

Mr. Chairman, I yield 3 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 this time.

Mr. Chairman, I rise in strong support of this amendment, being a co-sponsor of this amendment. I am opposed to the Export-Import Bank because I see there is no benefit to it, it has nothing to do with capitalism and freedom. It has a lot to do with special interests, and I am opposed to that.

One thing I am convinced of over the years from looking at bad agencies of

government, tinkering on the edges does not do a lot of good. Members might ask why am I tinkering here? Why do I want to tell corporations what to do? I am a capitalist. I believe in capitalism. I do not want to tell the corporations what to do at all as long as they do not commit fraud and live up to their promises, but this is different because they are getting taxpayer money. That is different than if they were just a corporation making it on their own.

The gentleman from Nebraska (Mr. BEREUTER) said if we do not give them these loans, the companies will not get any money and they will have to go overseas. This is a fallacy to believe if all of a sudden we took all of the Export-Import Bank money away from corporations, that they would have no funding. That is not true at all. There is a lot of funding available. It is just that they do not get the benefit, they do not get the subsidy.

What we are trying to do is make it fair to everyone so that the little guy who is competing for these same funds can compete on a level playing field and not give the advantage to the big guys.

What happens so often when government gets involved is there are unintended consequences. The original intent was to boost exports and jobs. After 70 years, there are unintended consequences. The world is a more world market. I am not opposed to that. I believe in free trade; but I think this is more protectionism. This is so minor and so modest that anybody who wants to be on record for fairness into curtailing the political power of the Export-Import Bank, has to vote for this. This will be a little bit of help to a few people in order to say to these corporations that if they are going to get tax subsidies for their loans, and they start laying off people, they better lay them off someplace else other than here. That is pretty modest. I have no interest in ever telling a corporation to do this if they were not getting the special benefits from government. That makes the big difference.

Mr. Chairman, there is a market allocation of credit and there is credit allocation by politicians, and that is what we are talking about here. We have credit allocation, and we have mal-investment and over capacity which causes the conditions to exist for the recession. Of course, a lot of this comes from what the Federal Reserve does in artificially lowering interest rates; but this is a compounding problem when government gets in and allocates credit at lower rates. It causes more distortions. This is why allocations to companies like Enron contributes to the bubble that ends up in a major correction.

Mr. BEREUTER. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Chairman, I thank the gentleman for yielding me this time.