

Bush should have it, nor Clinton. I am not for trying to enable the Chinese to have all of the manufacturing, all of the moneys, and to build their military like they are doing. That is of great concern to many Americans in this country.

Mr. Speaker, to my left there is an article that was in a paper in one of my counties in eastern North Carolina about 4 months ago. And it says: VF Jeanswear closes plant. Operations performed in Wilson, North Carolina, which included fabric cutting and finishing garments will be moved to Central America. Quite frankly, it is going to Honduras.

Four hundred forty-five American citizens lost their jobs. They are going to Central America without even CAFTA. I do not know what it takes for this Congress to understand that if this country becomes a second-rate manufacturing country, then we can place our orders for airplanes and tanks from China.

Mr. Speaker, I hope that I do not live long enough to see that happen. But I am afraid it is going to happen. CAFTA is not good for the American people. It is not even good for the people in these five Central American countries. They need to redraw this amendment. I think I can support an amendment if it were fair to America and fair to Central America.

Let us bury CAFTA next week or this week, and God bless America and our men and women in uniform.

The letter previously referred to follows:

JULY 19, 2005.

DEAR MEMBERS OF THE UNITED STATES CONGRESS:

THE CAFTA MARKET HAS FEWER THAN 9.2 MILLION PEOPLE WHO CAN BUY U.S. GOODS

President Bush claims that the CAFTA countries represent a growing market for U.S. goods. Unfortunately, this claim is far from the truth. A document prepared by CEPAL (the Economic Commission for Latin America-United Nations) entitled, "Development Objectives of the millennium, A Glance from Latin America and the Caribbean," June 10, 2005, reveals that of a population of 46 million people in the five Central American countries and the Dominican Republic, 25.6 million are poor. Only 20.4 million people are considered non-poor people. These numbers show that the open market of 44 million people that Pres. Bush claims will buy U.S. made goods does not exist. The majority of Central Americans are too poor to be able to afford U.S. made goods.

Furthermore, the majority of those who are considered non-poor (20.4 million people), are not secure market for most of the higher end goods and services that the North American companies want to export. This fact has been established by the same study CEPAL which affirms that 20 percent of those 46 million people, control more of 50 percent of the income; this can only mean that only 9.2 million people are the real market for U.S. companies. This is the same market that it is already shared with companies of the region, Europe and Asian countries who export to the region.

The low competitive advantage that companies of the Central American region have (i.e., low technology, high interest rates on financing, low skilled workforce), compared

to the U.S. companies, will mean that the majority of small and large domestic firms will be devastated, subsequently generating more unemployment and less purchasing capacity for the rest of the population.

As in the case of the agro-business products, the level of asymmetry between the subsidized U.S. agro-products, and the non-subsidized Central American products, the situation of displacement is even worse. On its own account, the U.S. Department of Commerce forecast that the present levels of U.S. production will increase by more than 20 billions dollars in the first nine years of the implementation of CAFTA. More exports of U.S. goods to the region, while it is seen as a benefit for U.S. farmers, only means more displacement of the Central American agricultural production, the destruction of the already vulnerable food industry capacity of the region. This further aggravates the levels of poverty and unemployment of million of central American farmers in the region, who are already facing a very difficult economic and social crisis due to the lack of rural development policies by their own governments.

Therefore based on these facts, we believe the following: CAFTA will only lead to more social instability in the region as more medium and small farmers will lose their livelihoods and become part of the poor population numbers; CAFTA will bring a weakening of the already vulnerable democratic processes in Central America as more people are excluded from the productive sectors of the economy. More exploitation of workers in the formal sectors of the economy will only lead to further social unrest all through the region; CAFTA will only lead to more migration to the U.S. as more people are unable to make a living working on the rural areas, and the jobs perspectives in the cities do not improve. The 20 million who are currently poor, and those that will be further displaced, will turn to immigration to the U.S. as the only solution to their economic problems. Just like the U.S. has seen an increase of immigrants from Mexico after NAFTA, more central American will turn to migration to the U.S.

As Legislative Representatives of the region, who represent a diverse perspective of political views, we respectfully ask you to vote NO on CAFTA. Some of our countries already approved the agreement (El Salvador, Guatemala and Honduras), others have not (Costa Rica and Dominican Republic); however, in all of the region, there has been real opposition to the agreement with mass protest from all the sectors. And the opposition keeps growing all through the region because this treaty threatens to weaken the already vulnerable democratic institutions that were created during the long conflicts of the 80s.

Our countries want trade, but not trade agreements like CAFTA that limit the possibilities for our countries to enact policies that will truly develop our economies and improve the lives of our people.

CAFTA is a bad trade deal because it puts the interest of international corporations ahead of the welfare of the working poor and the poor in Central America. If CAFTA is approved, the social instability that CAFTA supporters like to use as a reason for approving the agreement, will come not from outside forces, but from the pressures created by the millions of displaced workers who will fall further into poverty. It is time to say NO to CAFTA and begin negotiating a new trade agreement that takes into account the region's needs for development and real opportunity to all its citizens.

We respectfully ask you for your support of our people and Vote NO on CAFTA!

Sincerely,

REP. SALVADOR ARIAS,

National Legislative Assembly, El Salvador.

REP. HUGO MARTINEZ, National Legislative Assembly, El Salvador.

REP. FERNANDO GONZALEZ, National Legislative Assembly, El Salvador.

REP. ALBA PALACIOS, National Legislative Assembly, Nicaragua.

REP. ORLANDO TARDENCILLA, National Legislative Assembly, Nicaragua.

REP. OTONIEL FERNANDEZ GONZALEZ, National Legislative Assembly, Guatemala.

REP. DORIS GUTIERREZ, National Legislative Assembly, Honduras.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 525, SMALL BUSINESS HEALTH FAIRNESS ACT OF 2005

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 109-183) on the resolution (H. Res. 379) providing for consideration of the bill (H.R. 525) amending title I of the Employee Retirement Income Security Act of 1974 to improve access and choice for entrepreneurs with small businesses with respect to medical care for their employees, which was referred to the House Calendar and ordered to be printed.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 22, POSTAL ACCOUNTABILITY AND ENHANCEMENT ACT

Mr. SESSIONS, from the Committee on Rules, submitted a privileged report (Rept. No. 109-184) on the resolution (H. Res. 380) providing for consideration of the bill (H.R. 22) reforming the postal laws of the United States, which was referred to the House Calendar and ordered to be printed.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### ORDER OF BUSINESS

Mrs. CHRISTENSEN. Mr. Speaker, I ask unanimous consent to speak out of order for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from the Virgin Islands?

There was no objection.