

hack economists around here forget is that those are real dollars which can come back to bite us, and they are coming back to bite us when you have a Chinese Communist-controlled oil company trying to buy a major American oil company with substantial reserves around the world. For a country that is importing 20 million barrels a day of energy, we want to be selling off our oil assets, our reserves around the world to the Chinese Communist Government? I do not think so. But they think this is just working great.

The point is we have a failed and failing trade policy here in the United States of America. We lost 3 million manufacturing jobs, good high-wage, high-benefit jobs, through NAFTA, and the WTO and permanent most favored nation status for China. Those have cost the American people dearly. Millions of Americans have lost good jobs.

And the trend is accelerating. We are losing our manufacturing base. And the question becomes with CAFTA before the United States House of Representatives, do we think that these big black lines, these huge deficits, this borrowing, this putting America up for sale and in hock is a good trend? Yeah, it is a good trend for a few people, a lot of friends of the President. They are making a bunch of money. They own the stock. They run the multinational corporations. They are getting tens of millions of dollars, hundreds of millions of dollars sometimes, in stock options because of selling off our country.

Yeah, it is good for a few people, but it is bad for the majority of the American people. It is bad for the workers. It is bad for our future. It is bad for our economic security, our military security, if you look at some of the recent trends dealing with China.

So the question becomes should the United States House of Representatives, should those who are undecided now, particularly on the other side of the aisle, get pressured by the President to do something that they know is wrong and is against the interests of the people they represent?

This is not a partisan issue. You know, Bill Clinton was a disaster on trade policy. The problem is you cannot find much difference between Ronald Reagan, Bush the first, Bill Clinton and Bush the second on trade policy. They are a bipartisan disaster, selling out the American people, selling out our industrial infrastructure.

And people say, well, CAFTA is really not that big, so why are you so concerned about it? Well, you are right. It is not very big. If you combine the buying power of all of the people of the CAFTA nations and say somehow this is going to create jobs in America, well, whew, you need to have your head examined, because if all of those people living in those countries applied every cent they earned, whatever currency it is, to purchasing American goods, it would not be a tiny blip on the radar screen of the American economy.

This is the same people who sold us NAFTA, and they said it was going to

produce 400,000 jobs. Instead it lost 800,000 jobs. They were only off by 1.2 million jobs in their estimates.

Now the President goes on television this week and says, oh, this will be good for the American people. This is going to create exports. What he forgot to tell them was his own experts say it will create more imports from Central America than exports. It is going to be yet another loser for the American people. They will see their jobs go south.

American workers should not be asked to compete with people earning 80 cents an hour, and guess what, people who earn 80 cents an hour are not going to be buying a lot of manufactured American goods.

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So now CAFTA is the same disaster that was NAFTA, that is the WTO, and MFN for China. It is just saying, we have dug ourselves a deep hole. Here is a shovel; keep digging. Pretty soon you may come out in the other end in China, but by then they will own us.

So it is time for this Congress to stand up to this President, the same way they should have stood up to Bill Clinton or to Bush the First or to Reagan. We want a trade policy that benefits the American people, our national security, our economic security and brings and keeps jobs that pay decent wages and benefits home here.

Vote "no" on CAFTA.

CAFTA—PROPERTY RIGHTS

The SPEAKER pro tempore (Mr. PRICE of Georgia). Under a previous order of the House, the gentleman from Idaho (Mr. OTTER) is recognized for 5 minutes.

Mr. OTTER. Mr. Speaker, I rise today to discuss perhaps the most fundamental of the reasons for my opposition to the Central American Free Trade Agreement or CAFTA—the serious conflicts it raises with private property rights guaranteed by the Constitution of the United States.

I'd like to draw your attention to the fact that CAFTA contains 1,000 pages of international law establishing, among other things, property rights for foreign investors that may impose restrictions on U.S. land-use policy. Chapter 10 of CAFTA outlines a system under which foreign investors operating in the United States are granted greater property rights than U.S. law provides for our own citizens!

Mr. Speaker, that's not encouraging free trade. That's giving away our natural resources and our national sovereignty. CAFTA would empower foreign investors to go to UN and World Bank tribunals to challenge state and federal policies here in the United States regarding property rights that violate their assumed "investor rights." Those foreign investors then could demand compensation in the form of U.S. taxpayer dollars for the losses caused by complying with the same domestic policies and regulations that apply to all U.S. citizens and businesses.

The standards for property rights protection that are used by the UN and World Bank to award U.S. taxpayer dollars to foreign investors would NOT be those of the U.S. Constitu-

tion, but rather international property rights standards set forth in CAFTA, as interpreted by an international tribunal. And I'm not the only one upset about this. No less than the Conference of State Supreme Court Chief Justices is among those concluding that CAFTA provides greater property rights to foreign investors than U.S. law provides you and me as U.S. citizens!

Furthermore, current rules under Trade Promotion Authority granted by Congress require that trade pacts grant to foreign investors "no greater substantive rights with respect to investment protections than U.S. investors in the United States." Yet even a cursory review reveals that CAFTA fails the test on both counts. Although some words included in NAFTA's investor protection system were changed in CAFTA, the changes were simply procedural and not substantive.

Instead of basing foreign investors' property rights on U.S. law, as Congress requires, CAFTA provides foreign investors in the United States with a "minimum standard of treatment" set forth by "customary international law" and established in "principle legal systems of the world." The effect is to throw U.S. sovereignty and property rights out the window in the name of "free trade." CAFTA exceeds U.S. law by empowering foreign investors to go to international tribunals in an effort to be compensated in U.S. taxpayer dollars for regulatory takings.

Furthermore, new language in CAFTA almost unbelievably extends the outrageous benefits of this foreign investor-state dispute resolution system to corporations that have a "written agreement" with the federal government regarding "natural resources or other assets that a national authority controls." For example, foreign investors could circumvent the U.S. court system entirely by bringing arbitrary challenges over oil and gas, mining, and water contracts to an international tribunal. If a foreign investor is granted a land concession for logging and, as a condition of the contract, is told that the trees must be replanted, the foreign investor can challenge the requirement to replant as an infringement on their "foreign investor rights" and "minimum standard of treatment" through UN and World Bank tribunals. The U.S. logging company down the street can only go through U.S. courts and has no such special rights.

The very notion that international tribunals should get a say in how we manage U.S. property rights and grant concessions on U.S. land is simply unacceptable. Opening new markets between Central America and the United States is one thing. Asking me to cede decisions over U.S. natural resources and property rights to international tribunals while giving foreigners greater rights to our land than our own citizens have is something else entirely. I won't accept it, and neither should you.

EXCHANGE OF SPECIAL ORDER TIME

Mr. POE. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from Idaho (Mr. OTTER).

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

There was no objection.