Arabic while gunning down unarmed military personnel and civilians;

Whereas Major Hasan is currently charged with murder of 13 and attempted murder of 32 United States citizens during that attack;

And whereas the Department of Defense submitted correspondence to the United States Senate Committee on Homeland Security which referred to the violent Islamic extremist attack on Fort Hood, Texas, in the context of a broader threat of workplace violence: Now, therefore, be it

Resolved, that the House of Representatives recognizes the attack on Fort Hood, Texas, as an act of radical Islamic terrorism and jihad against the United States Armed Forces.

I have submitted this to the House, and I'm going to be seeking support for this resolution.

I wonder sometimes what our Forefathers would think of how far we've gone out of kilter in recognizing who's our friend and who's our enemy, or how we are so concerned about what the speak police or the voice police would say to us about some language we use that we would be willing to put those men and women who wear the uniform of our armed services at risk rather than make a statement that might offend somebody.

I think our grandparents would look at this country and say, what happened, what happened to the United States of America that I fought for in World War II or Korea or Vietnam? When did it become evil for Americans to speak the truth? Why would people who have four stars on their shoulder, who we highly respect as leaders of our armed services, tolerate being instructed in this concept of political correctness and be treating this as if it were an ordinary incident of workforce violence? How do we justify that? Where is the common sense in this effort? We're worried about hurting other people's feelings, and other people are killing us. I mean, this doesn't make any sense.

And most of all, let's not forget—because I attended the funeral of one of the civilians. I have met with some of the wives and children of these dead combat soldiers and talked to the parents that looked me in the eye and said, how do I figure this out? My kid was there to be deployed for the fourth time. He stood in harm's way for our country 3 years already, and he goes over to the deployment center for a routine matter dealing with paperwork and he gets attacked and killed in Texas, just right down the street from where he lives. And his children and his wife are without a brave American soldier who had proven his worth in combat in three deployments already.

This is something that his parent sits there and says, how could anything like this ever happen? I mean, I know to be praying every day for my child when he's in combat. This is the profession he has chosen; I respect it. I fear for him; I worry about him. I want to make sure—he or she, because our ladies are fighting just like our men. And now I get the word that my son is killed down the street from his kid's elementary school while he's going through a routine act of filling out paperwork in the Army?

And then what do we tell that parent when later we find out that a report has come out from the government saying ''routine workforce violence''? Come on, come on. What's wrong with this? I think it's just tragic.

I introduced a bill that just said, look, acknowledge it for what it is. Nothing will draw disrespect for the Purple Heart, or others who are wounded in combat in a combat theater, to just acknowledge that these innocent people got attacked on their way to their next deployment, or on their way back from their last deployment, on our soil, on our military base, in our State of Texas. Can we at least give them the respect to acknowledge that they're part of the war effort, that this guy shot them because we are at war with terrorists? Give them combat credit. Give them the honor and respect that comes from that. But we're still not able to get that done.

We're going to keep trying. I have people call me from all over the country and say, how are we doing? You know, my kid at least ought to get a Purple Heart. My daughter ought to get a Purple Heart for the wound she received, and now she's debilitated and has to go out of the Army. My son, who's going through constant therapy for his head wound, he ought to be recognized by the Army for what happened to him, the reality of what happened to him.

And so we won't make the easy acknowledgement that these folks were in combat. And the only reason they didn't fight this guy is because they were not armed. And the reason they were not armed is because you're not supposed to be armed on post. This guy attacks them. If they would have been armed, it would have been over when the first bullet fired. These are combat veterans.

But no, we are very strict—oh, we're now going to change this designation the Army has or that designation the Army has. But we aren't going to call this guy a terrorist. Don't mention the word ''Islamic.'' Don't recognize his relationship with an Islamic terrorist. Ignore all that evidence, ignore the testimony of 50-some-odd witnesses and say we will treat it within the concept of workforce violence. What does that say to the wife or husband of that soldier, or the father or mother of that soldier, or the brother and sister of that soldier that was killed or wounded with a debilitating wound—many of which are still struggling with their wounds, just like they do in combat.

Yet we conveniently define things in that situation, but refuse to define the act that caused the situation. This just is not right. That's why I'm very grateful my friend Mr. GOHMERT and I came down here to talk about this. This is all about trying to just set the record straight. You know, let's call it like we see it, and let's don't think we have to protect anybody.

And it has absolutely nothing to do with the Muslim religion. If he was a Baptist and was shouting Baptist slogans as his reason for shooting somebody, we ought to call him a Baptist.

This is a tragedy. It's a terrible tragedy because these were soldiers, all of whom had been willing to go in harm's way on behalf of our country, and most of whom had gone into harm's way on behalf of our country and suffered through that miserable weather and those dark lonely nights, and all the other things that soldiers suffer through when they're addressing terrorism around the world.

□ 2020

I say around the world because we've still got plenty of places we're addressing terrorism, not just Iraq and Afghanistan. To have us be willing to soft-pedal what happened to them is an American tragedy, and I'm going to continue to talk about it.

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

JOBS FOR AMERICANS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from California (Mr. GARAMENDI) is recognized for 60 minutes as the designee of the minority leader.

Mr. GARAMENDI. Mr. Speaker, thank you for the opportunity this evening. I'm joined by my colleague from Ohio, MARCY KAPTUR.

I want to thank our colleague from Texas for the explanation he gave about the tragedy at Fort Hood. It was, indeed, an American tragedy, as were other acts of violence against this country, both within the country and around the world.

No doubt that there is radical Islam, no doubt that it is killing, not only Americans, but others around the world. And it is part of our task to find an appropriate way to deal with it. It's also part of our task to appropriately recognize the tremendous sacrifice made by our soldiers, both here, as in the Fort Hood incident, and certainly in Iraq and Afghanistan.

Today marks a very, very special day in American history. It is the end of one of the great American tragedies, and that is the war in Iraq. No matter how we may think of this today, I think we can be very confident that this war of choice was, indeed, a very bad choice. More than 4,000 Americans have been killed in this war, and perhaps several times that number injured.

Physical injuries, we often see them just off the floor as these men and women return from their medical treatment at the Bethesda hospital, and we mourn their physical loss.

The mental problems that our veterans have incurred after multiple deployments in Iraq will go on for years, as will the physical injuries. Post-traumatic stress syndrome is a major,

major problem among the thousands of veterans, hundreds of thousands of veterans that have returned. These are issues that we must deal with.

And as we mark, today, the final withdrawal of American troops from Iraq, our heart, our compassion, and indeed our actions go out to those veterans who have served this Nation in this war. Whatever we may think of the war, we must always think well and appropriately of these soldiers, men and women, multiple tours, National Guard, the Reserves, and the active Army and Navy and Air Force and Marines, all serving this country.

Many things have happened here on the floor to deal with those issues that they have incurred. Just 2 weeks ago we passed major pieces of legislation that are a followup to earlier pieces of legislation for the veterans. The Democratic Congress, in 2009 and '10, enacted the most far-reaching veterans benefits since the end of World War II. A new GI bill is in place. Job opportunities and training are in place. Enhancement of the medical services through the Veterans Administration and many other that were culminated last week—wrong word. Not culminated, but added to last week with the legislation that provides a very strong incentive for employers to hire unemployed veterans.

The unemployment rate for veterans is generally twice as high as the average American unemployment rate. Those benefits go to the employer, reducing their taxes by $2,600 for every veteran they hire. If they hire a long-term unemployed veteran, it'll be $5,600, and if it happens to be one of the disabled veterans, perhaps one that we often see outside this Chamber, then it's a $9,600 reduction in the taxes for that employer. We hope employers all across this Nation hear this and reach out to the veterans in their community and give them a job.

The rest of the time we have tonight I'd like to talk about jobs for Americans. As much as we may want to think about the wars, and today we did, we passed the Defense Authorization Act, we have to also think about Americans here at home that need a job. We've been working for some time on a program that we call ''Make It in America,'' a rebuilding of the strength of the American manufacturing industry.

Over the last 20 years, we have seen a rapid decline in the manufacturing base of America because that's where the middle class found its place. That's where the middle class found their opportunity to use the skills, whatever training they may have, whatever education they may have, and get a good, solid job that would support a family. Twenty million Americans were employed in manufacturing 20 years ago. Today, it is just over 11 million, almost a 50 percent decline.

We can't let this continue. We cannot allow the outsourcing of American jobs. We have to bring those jobs back home, and there are many ways that we can do that. And our ''Make It in America'' agenda by the Democratic Party here in Congress is taking root. And tonight we're going to talk about many parts of that.

Joining me is MARCY KAPTUR from Ohio, which once and will be the heart of the American manufacturing sector. I know you have many pieces of legislation, and I know your intense passion on rebuilding the manufacturing sector in America. So let's talk about some of the things that are going on here in Congress and what we can do.

Ms. KAPTUR. I want to thank Congressman GARAMENDI for, again, bringing us together to discuss the most important issue on the minds of the American people, and that is healing the economy here at home and producing a sufficient number of jobs to employ all Americans who want to work.

And I join the Congressman's comments about our veterans, veterans who have served our country so bravely, a great sense of self-sacrifice and national sacrifice. We thank them, particularly during this holiday season, their families, their children, their relatives, their friends, their communities, all their employers, all of those who understand what this requires.

And I wanted to just mention that, in connecting our veterans coming home to the employment question, it's a very serious challenge that we face because, even in a State like Ohio, currently, of all those who remain unemployed in Ohio, and there are many, 52,000 are veterans, already. And it was correct, I think, for President Obama, in going to visit with our veterans and active military at this holiday season, that one of the issues that came up repeatedly was, well, with our veterans coming home, where are they going to work with so many unemployed already?

And to give an example, in Ohio and many other parts of the country, for every job that exists, 100 people apply or more. And even if we filled every job that exists, we would have millions of Americans still out of work.

And yet, we have huge, unmet national needs, and that's why making decisions here, both on the tax side and the spending side, to get our economic house in order and to rein in the abuses in the financial sector on Wall Street that have caused such damage here and abroad, is absolutely critical for us to deal with and to keep those at the top of our priority list.

I think Congressman GARAMENDI and I agree that some of the partisan wrangling here is really so nonproductive. And if you want to put the country back to work, that's what the debate should be about. We should have job thermometers here showing how well we're doing and how fast we are helping to grow this economy.

□ 2030

So as with Congressman GARAMENDI's support of the veterans tax credit for hiring, I obviously support that as well. But it's not sufficient because, as I understand it, the tax credit will yield about 40,000 openings around the country; 40,000 companies will hire maybe one worker, or however it will ultimately transpire, but we have a need to reinvest in America.

The most important factor in reinvestment is for our banks to have confidence and our people to have confidence that there's going to be stability for people in our economy. I think our party wrangling really works against that.

Wouldn't you agree, Congressman?

Mr. GARAMENDI. It really does, if I might take a moment here.

You raised one of the very important points. I know later in this discussion you're going to take this up in much more detail. But it's very, very clear that the financial sector, in their rush for profit, created the housing bubble. Didn't do it all by themselves. There was plenty of greed on the part of certain people that bought houses, and the real estate community was involved in that, the mortgage community.

But here we are after bailing out Wall Street. What is Wall Street doing to bail out Main Street? Not much.

I heard a discussion earlier today from a banker that said, Oh, we're making all kinds of SBA loans. Yes, that's guaranteed. Those are loans guaranteed by the Federal Government. But what risks are they taking?

We passed the Dodd-Frank language, which was designed to rein in Wall Street. Good. Very good. As strong as I would like? No. I would go back and put in place the Glass-Steagall Act. I was the insurance commissioner before the Glass-Steagall Act disappeared, and insurance was over here and banks were over there and investment banking was separate. So that the kind of problem that existed in 2000 where the banks went berserk and crazy in greed creating all of these CDOs and other kinds of really fake instruments, they couldn't do it. But nonetheless, the Dodd-Frank is there. Our Republican colleagues are refusing to fund the implementation of that program, putting all of us at risk once again.

I want to go back to the manufacturing sector and some of the issues that arise there, and particularly the unemployment rate in your communities.

Now, we have to reauthorize the unemployment insurance program; otherwise, is it 3.3 million Americans are going to lose their unemployment insurance in the first of the year? And when you have such high unemployment as you do in your communities, what are they going to do? How are they going to feed their families, pay their mortgages? And when you provide an unemployment check, it immediately goes into the economy and creates $1.6 for every dollar of the check.

And I know you see this in yours, and you've talked to me about the unemployment and the way in which the cessation of the unemployment insurance would just devastate people here

at holiday season. So share with us what you were sharing, just this, earlier in the week when we were talking about this issue.

Ms. KAPTUR. The problem is, when you have 100 people out there looking for a given job, it means 99 won't get it. And these are people who want to work. They have a record of working. They have actually collected their benefits. They've paid into the insurance fund for unemployment in their respective States. But when the economy doesn't recover as fast as it must, then what happens is, after they use up their first 26 weeks of unemployment, what are they supposed to do? Where are they going to work in order to provide for their families?

We've had to, at the Federal level, extend unemployment because of this massive recession that we are digging out of. We have had to extend people. These are people who want to work, who have worked, who have a working record. So they continue looking for jobs. And I can tell you, some of them have been looking for jobs for 3 and 4 years. It isn't that they don't want to work. How many have I talked to where they have sent out hundreds of resumes? They have gone door-to-door looking for work. They have tried, and yet the door keeps getting shut in their face.

At some point, any human being begins to think, There must be something wrong with me that I can't obtain work, when they have a very good record. Many of them are doing two and three jobs just to bring income in and then look to find a full-time job. It's very disruptive to family life. Many of them have moved in with their relatives now.

And they shouldn't feel like failures. I said to my audiences back home, It isn't your fault. You didn't do this to America. The biggest banks failed us. They failed our country. They've hurt us. They've created false money. Many of them became so rich that no normal person could even imagine what they're floating in.

But it isn't the fault of the ordinary worker. They shouldn't eat themselves up in self-agony. There's a lot of that out there.

Mr. GARAMENDI. I see it in my own district in California.

One of the things that we've been trying to do is to take up the President's call on this matter. The President, back in September, put forth the American Jobs Act. Many pieces of it. We'll talk about some of those pieces today.

But in the American Jobs Act, there was an extension of the unemployment insurance, which economists, left, right, and center, all say it's the best way to stimulate, to keep the economy moving. He suggested that we extend it for those who have been unemployed for 2 years or more. And I think it's the only humane and compassionate thing to do, particularly here at the holiday season.

He also made the suggestion that we continue the payroll tax reduction, which was 2 percent, that is from 5½ percent to 3½ percent. He suggested that the reduction be 3.1 percent.

Now, we are as concerned as our Republican colleagues about the deficit, and the President is, too. And he suggested that this needs to be paid for. We cannot borrow money from China to do the unemployment insurance or to do the payroll tax deduction.

Now, the payroll tax deduction, it's rather important. It's over $1,500 in the pocket of every working person in this Nation. That's an enormous amount of money for a person that's earning $10, $20 an hour. So he wanted to do that.

How is he going to pay for it?

He suggested that we pay for this in what is called tax fairness, that we take the upper income, those people that have earned a million dollars a year or more, and increase the tax that they pay over a million dollars by 3½ percent. A 3½ percent increase above a million dollars—not below but above. Now, that's fairness, because these folks have had an enormous tax reduction over the last decade, part of the Bush tax cuts.

Unfortunately, that didn't happen, and you and I have been here. And perhaps we ought to share with the public what happened yesterday when a bill came to the floor to provide unemployment insurance extension and a payroll tax deduction. It was really not a shining day for the House of Representatives.

We'll go into some detail here, but essentially what happened was that the legislation put forth by our Republican colleagues basically said, okay, we'll continue the payroll tax deduction, not at 3.1 percent but at a 2 percent reduction, which is about a thousand dollars for an average worker, and that's good, certainly better than not doing anything; and we will also do the unemployment insurance, but only for half the time that the President suggested.

And here's the kicker. All of that will not be paid by those who earn more than a million, the millionaires and billionaires. That will be paid for by the middle class. It was the 99 percenters that were going to have to pay for this. Not the 1 percenters, but the 99 percenters. It was the great shell game, and a very, very sad day. Fortunately, the President said, I will veto that if it ever gets to my desk; and the Senate has said, No way; this is not fair to the working men and women of America.

□ 2040

Now, we were here, and we heard some of the debate. Share with us your thoughts about all that went on yesterday in that rather sad piece of legislation.

Ms. KAPTUR. Again, it's like a teeter-totter. It's like it's tipped in one direction.

Mr. GARAMENDI. Yes.

Ms. KAPTUR. I think everybody in our country knows that we all will have to sacrifice in order to pay down our long-term debt and that when we make public decisions that we help our economy grow.

In every business I go into, they say, Marcy, bring me customers, bring me customers.

Whether they're out of work and they receive unemployment benefits, which they have earned, or whether it's allowing an individual through a payroll tax holiday to have a few extra dollars of spending money, the advantage of helping the middle class is that it's going to go directly into our economy. It goes to every small business. Whether it's to buy vegetables at the corner stand, whether it's to buy gasoline for your car, whether it's to buy clothing for your children, when you think about where those dollars will go, it's going to go to essentials. It won't be wasted money.

All of history shows us, because their incomes have really not gone up, because buying power has gone down for the average family and prices are going up, that the middle class is guarding every penny so much more carefully.

I had to go out and buy some throw rugs the other day because of all the rain in the Midwest that had caused water to rise in our basement. I couldn't believe the price of throw rugs. I thought, oh, my goodness, and I went to two or three stores. I don't have time to do that, but I was reacting to the increase in prices. The average family has great difficulty in buying those kinds of items, so those few hundreds of dollars mean everything, and they will use it to improve their homes, for example.

Mr. GARAMENDI. If I might interrupt for just a moment, you raised a very, very important point about the fate of the American middle class and of the extraordinary benefit that has grown for the top 1 percent. This is where the 99 percent comes in.

Let me just show you this chart. It has become one of my favorites. This chart is about the growth of income.

Down here on the bottom are the bottom 99 percent of Americans and the income that they have seen since 1979: virtually no real growth in the income of the working men and women, of the middle class of America. So, if you look at these lines, this is the top quartile; this is the middle quartile and the bottom quartile here: no growth or just a little tiny growth. Incidentally, most of that comes because now both the husband and wife are working, not because just one of the wage earners has seen it.

This top line, Marcy, is the 1 percenters. We can see, over the last 25, 30 years, the 1 percenters have done very, very nicely, and there are many reasons for this. One, they are very productive. They've been able to find good opportunities and to make the most of them. We wouldn't deny anybody that opportunity to become very, very wealthy in America if they play by the rules. I know, a little later,

you're going to talk about some who have not played by the rules and who have become extraordinarily wealthy. But if you play by the rules, you ought to be able to do very well in America.

Yet what we're talking about here is tax fairness. A lot of this growth right here in the last decade was as a direct result of tax policy. Now, the George W. Bush tax cuts for the super wealthy, which were supposed to create jobs, didn't create jobs. In fact, we had a loss of employment in the United States. Even if you discount and take out the great crash of 2007–8, in the George Bush era, the argument for reducing the high-income tax rate was that it would create jobs because these were the job creators. It didn't create jobs. It did not create jobs. So now we're talking about how do we keep this economy going, about how do we provide for those who don't have jobs. How do we put money back into the economy? As you say, it will be spent. We do it with tax fairness.

As the President suggested, for those people who earn more than $1 million a year after all the deductions, the amount of income above $1 million would be taxed an additional 3½ percent. That's fair. That's fair to the American workers, if they're unemployed or if they're looking for jobs, so that they'll have an opportunity.

Ms. KAPTUR. Congressman GARAMENDI, as you were talking, I was thinking about that chart that shows the flatness of income growth in the middle class, and I was thinking about the last several years and about our U.S. trade deficits.

Most Americans probably don't realize it, but annually, we rack up about $500 billion more in imports coming into our country than exports going out, and it hits the working class—the middle class of people—very, very hard because it substitutes for the income that they would normally earn if they were manufacturing in this country as many cars as they used to.

What we see happening is a tipping toward the top, but really all sectors are affected by the fact that our trade deficit lops off most of the gross domestic product growth every year. A half-trillion dollars bleeding out of our economy for purchases of everything from electronics to energy to automobiles, which are things that should be made inside this country, is a huge downdraft on every income quartile in our country. Thus, your efforts to promote American-made goods are right on target.

Mr. GARAMENDI. Before we go back to Make It in America, which is our principal policy, at least among those of us who are talking about the Make It in America agenda, I want to just make it very clear that this debate over the payroll tax reduction and the unemployment insurance is not over. We've got a little bit of time to get this done before the end of the year when all of these opportunities for people to continue to survive terminate.

Right now, the Senate is going to take up the House bill, and it is our understanding that that bill is not going to move in the Senate. We need to get past this gamesmanship that we saw in the legislation that passed here just yesterday, and we need to get serious about finding a compromise that can deal with this problem.

Here is our wish list. This is the American wish list. We have Santa up here, but let's just say it's to the House of Representatives—all of us—and to the Senate. What we would like to have in the stocking is not a bad lump of coal but, rather, a payroll tax cut extension. We could probably settle for the present. If we were to compromise, we'd want 3 percent, but we could settle for the 2 percent reduction. That's $1,000 in the pockets of every working man and woman in the State. That's 160 million people. That's an enormous thing for us to do.

So this is one of the things that we would wish would happen, that we wish that we would do—your Representatives, Democrat and Republican alike, and the Senators—for the working men and women of America so that they can have food on their tables and roofs over their heads.

The other deals with the unemployment insurance—5.7 million people are going to be losing their unemployment insurance in the coming year. What in the world are they going to do? Their jobs are not there, as you so clearly pointed out, Ms. KAPTUR. The jobs are not there, and they need help. That's where the unemployment insurance program will help them and will simultaneously help the economy, as Ms. KAPTUR pointed out. We can pay for this. We can pay for this with a Fair Tax system in America.

Ms. KAPTUR. I wanted to just comment obliquely here based on what you've been talking about.

In looking at job creation in a given region, if I look at the regions that I've been privileged to represent, we have many small companies or medium-sized companies. I happened to be speaking with one of them the other day, Hirzel, which is a major producer of tomato products in our region.

□ 2050

And I said, you know, I was looking for your spaghetti sauce on the shelves of one of our major grocery chains, and I couldn't find it. And it's the best sauce I have ever eaten. I said, How can I help you expand your product placement on the shelves of stores across the country? The owner of the company, a family-owned company—and they are the most wonderful people—he said to me, Well, you don't really understand, Marcy. We really aren't allowed on those shelves because one of the big spaghetti sauce manufacturers—and I won't mention the name—pays the grocery store a fee to keep all new products off their shelves. And even though Hirzel's is not a new product, it's regionally bound; and they can't get on the shelves of supermarkets because of what's called ''slotting fees.''

Mr. GARAMENDI. We should work together. Excuse me for interrupting, but in my district, we have a ravioli company. We're talking out of this world. Now, maybe your sauce on top of their raviolis we could actually get on the shelf.

Ms. KAPTUR. You know what, these large outfits that control retail sales in our country hurt innovation because what they do is they make deals with some of the biggest companies. Ask yourself, why, when you go through a supermarket and you want to find soda pop—they call it soda pop in some places, and they call it—what do they call it in your part of the country?

Mr. GARAMENDI. Obesity.

Ms. KAPTUR. Well, if you try to find different brands, you will see certain brands at eye level because they pay thousands of dollars to each grocery store to put it there. But if you want locally bottled soda, or pop, you are lucky if you can find it on the bottom shelf, and you probably can't.

So we have like gatekeepers. The public is largely unaware of this. Local meat. I represent a region that is both urban and rural. I love it. I am privileged to represent it. Try to get locally produced pork on the shelves of large supermarket chains. Good luck. You know, the same is true with vegetables. We could have so much more income growth and job growth in this country if we would have some consciousness by these big retailers and box stores to go local. We grow local. We make local. But then to try to move it to the shelf, it's almost impossible.

Mr. GARAMENDI. Black Friday, a week ago. It is all about the big retailers. But Small Saturday, now that was exciting. A lot of advertising out in California about, Go to your local shop. Buy local. Buy small. And it was just what you are talking about, and that is to find a way to provide opportunity, moving, in this case, customers to the local stores. Instead of the big box store, go down to Main Street. Stop at the local shop. Very, very powerful. And I suspect that many of us did that. We stopped at the local store, and we didn't go down to Home Depot. We went down to the Ace Hardware.

Ms. KAPTUR. This year, again, I went to craft shows. I buy dozens and dozens of gifts. And I find locally made items because I know the money will go right in the pockets of local people. And why is it these craft shows, they hold them in churches, and they hold them in auditoriums, why don't some of these big shopping center complexes invite them in? What's the problem with trying to help local innovation, local development? We find so many restrictions that make it hard.

One of the reasons we can't grow jobs fast enough is because certain interests in our society have such a lock on who can get in the door. There ought to be a section for local. We shouldn't have

to pass a Federal law for that. People should be smart enough out there to do it. It creates more customers all ways around, and a lot of us want to support local.

Mr. GARAMENDI. I don't think we're talking about a law or a new regulation here, but we're talking about something that we ought to do for our communities, and that is recognize that we're all part of a community.

You said something a few moments ago that caused me to come back to this issue. You talked about the trade deficit. And the way in which we are literally exporting our money, we're also exporting our jobs.

Last December—just a year ago—on this floor, we took up a piece of legislation that dealt with this issue. In the previous Tax Code, there were tax breaks given to American corporations for shipping jobs offshore. For offshoring American jobs, they got a tax reduction. And some of us said, Well, what in the world is that all about? So we scrambled and tried to find out where the codes were. And a bill came forth on the floor that eliminated about two-thirds of those tax breaks given to American corporations when they offshore jobs.

A very interesting division occurred here on the floor of this House. It was a straight-up bill. It wasn't complex. It was on that issue: Should American corporations continue to receive tax breaks for offshoring jobs? That was the bill. No riders. No hidden agendas. No extraneous sentences put in. This House divided right down the middle. The Democrats voted to end the tax cuts. The Republicans, not one Republican voted to end those tax breaks given to American corporations for offshoring jobs.

And I'm going, I don't get it, guys. You guys talk about jobs all the time. You talk about small businesses, and here you want to continue to subsidize the offshoring of American jobs? What's that all about? We never got an answer. But it speaks directly to the point that you were making earlier about policy choices. Our work is policy, policy choices: Are we going to do this, or are we going to do that? Are we going to continue to support American corporations for offshoring jobs, giving them our tax dollars? Are we going to continue to allow the oil companies to be subsidized?

The wealthiest industry in the world takes about $15 billion a year of your tax money, and we give it to them. The oil, the gas, and the coal industries, about $15 billion a year in tax subsidies. Why do we do that?

Ms. KAPTUR. You raise a very good point, Congressman. And I went into one of these dollar stores—I won't say which name it was—with one of my good friends the other day. I couldn't find a non-Chinese-made item on the shelf.

Mr. GARAMENDI. Wouldn't you love to go into Wal-Mart and find ''Made in America''? Wouldn't that be something?

Ms. KAPTUR. I'm a city planner by training. So I look at the space in these stores, and I thought, I could do this. I could clear one of these aisles. I could consolidate over there. I could provide a place for locally made items, and let the local entrepreneurs compete. But give them a place on the shelf, and don't make them pay these exorbitant fees. It doesn't take an act of Congress for some business innovation in these big box stories. And I am thinking, you know, maybe America in some ways is losing her edge. Because if the CEOs in charge of these retail stores can't be creative enough to figure out how to help us encourage innovation at the local level, what are they getting paid so much for?

I think of all the local food products, all the hand-made sweaters, all of the artwork, all of the pottery that's made locally, the food products that can't get to shelf because they keep them out. Come on, men and women out there in the retail world. Show a little creativity here. We have a lot of innovation at the local level.

Mr. GARAMENDI. A little bit of patriotism.

Ms. KAPTUR. Boy, it takes a little bit of patriotism.

Mr. GARAMENDI. Let me give you another example of what we can do with policy. Right now we have a ''Buy American'' policy that really has not been enforced much. So I've introduced a piece of legislation, H.R. 613, that simply says that if it's our tax money—and every time we buy a gallon of gasoline or a gallon of diesel fuel, we pay either 18.5 cents for the gasoline or 26 cents for the diesel fuel in taxes, where's the money going? Some of it all too often, in fact, a lot of it all too often, winds up going offshore.

I will give you an example: the Oakland-San Francisco Bay Bridge, a multibillion dollar project, $1 billion worth of steel going into that bridge. It will be a beautiful thing when it's completed. The bids for that came in for an American-made steel bridge or a Chinese-made steel bridge.

□ 2100

It was a 10 percent difference in cost. That's a lot of money. So the State of California Bridge Authority decided that they would take the 10 percent cheaper Chinese steel. The result is after years, the steel had problems. The welds had problems. The cost went well above 10 percent, and 3,000 jobs wound up in China, and zero jobs wound up in America.

So what this bill does, it simply says no more waivers. No more. If it is American tax dollars that are being used, it is going to be used to buy American-made equipment—buses, trains and the steel and concrete. It works.

In the stimulus bill, which all of our Republican friends want to dismiss, in the stimulus bill there was one line for the several billion dollars of money that went into transit that said that money can only be used to buy American-made light rail, transit trains, and locomotives for Amtrak.

Siemens opened a factory in Sacramento, California, to build those light-rail cars and the locomotives because the policy, drafted here on this floor, passed by the Senate and signed into law by President Obama, said that tax money can only be used to buy American-made equipment. And it created hundreds of American jobs in Sacramento, California.

This bill, and another one like it that has now been introduced by the ranking member Democrat in the Transportation Committee, will bring hundreds of thousands of jobs when our tax money is going to be used to buy American-made equipment.

Ms. KAPTUR. I wanted to mention as you were talking, Congressman GARAMENDI, as a result of the refinancing of the U.S. automotive industry in northern Ohio—from Cleveland, Elyria, Lorain, Avon Lake, Sandusky, Toledo, Defiance, the whole corridor—what we are seeing is a reinvestment in the supplier chain. That includes steel such as Republic Steel. People don't realize how many jobs in America are connected to the automotive industry.

Your State of California, which manufactures a lot of semiconductors, half of the semiconductors procured in this country go into the automotive industry. If you think about carpeting, half of the carpeting sold in this country goes into automotive production. Plastics, glass—think about what is really in there. As a result of what we were able to do here, with a lot of flak from one side of the aisle, although there was some support, was to refinance the U.S. auto industry.

We just had an announcement in Avon Lake that the truck platform will be coming back to us from Mexico. So that is retention of jobs in Avon Lake. It is part of the rebirth of automotive and truck transportation across the north. We are producing vehicles like the Wrangler, one of the most popular vehicles in the country, obviously, and the new Cruze for General Motors.

But all the supplier chain, Republic Steel, they're putting in a new arc furnace. You're looking at the restoration of production. It's coming slowly, but it's coming. So we have to be proud of actions that were taken by the Government of the United States of America through the action of Congress and by the President to help save one of America's lodestar industries, which has now paid back its loans and is rehiring.

Mr. GARAMENDI. Let me just add to this. This was a result of the stimulus bill that put the money there, if need be, to rebuild certain sectors of America. President Obama courageously, and with enormous opposition from Republicans, said, I will not let the American automotive industry die. This is a fundamental industry in the United States; I will not let it die.

And so he authorized the money that went to bail out General Motors and

Chrysler. Ford didn't take advantage of it because they had a different financial situation. But the result of that is precisely what you've described. It is precisely the saving of the American automotive industry and all of supply chain that goes with it. A very courageous action by the President, one that worked for the benefit of America so that we can once again make it in America.

I'm going to wrap this up very quickly because I know you have a couple of things you want to talk about with regard to Wall Street.

Ms. KAPTUR. I would like to add one item, though.

Mr. GARAMENDI. Why don't you go ahead, and then I will wrap up at the end.

Ms. KAPTUR. Perfect. I just want to say a deep thanks to Congressman GARAMENDI for bringing us together tonight.

I wanted to say as a member of the China Commission, we had testimony yesterday from various witnesses on the economy, on the legal structure of China, on democracy and the lack thereof in that country. One of the points that we discussed was how closed the Chinese market is to products from around the world—much like Japan, much like Korea. You look at Singapore, many of the Asian nations keep our products out. And we're asking American companies to try to compete in a situation where our market is open and their market is closed. So we can't get access to those customers.

One of the points that was brought up by one of the top economists that testified before the China Commission was the fact that the Chinese Government backs those companies. Really, the government owns the companies, and they infuse billions of dollars. So think about this. The workers and companies of northern Ohio and the U.S. automotive industry are trying to compete in a global market where some of the major markets in the world, like Japan, are closed. And they've remained closed for decades. China does not welcome us in. We are literally competing against state-managed capitalism. It is not a free market. It is not a market economy we are dealing with. It is very controlled.

There was criticism by some that, oh gosh, look at Congress, they are helping the U.S. automotive industry. It showed a lack of understanding of what these companies face in the global marketplace. It is not a level playing field. It is simply not. And, unfortunately, we have never had a trade ambassador knowledgeable enough about the automotive industry—that came out again yesterday—who can really successfully bargain to give us a level playing field in one of the most important industries that we have.

Mr. GARAMENDI. Let me just give you another example. I thank you for raising that very, very important issue.

Last year, this House by an overwhelming bipartisan vote set out to address the China situation. It was a piece of legislation that simply said that when any government anywhere around the world unfairly subsidizes its business sector in a way or to the detriment of American businesses, then that country will face sanctions. And specifically, it had to do with the Chinese currency. The Chinese currency is significantly undervalued, perhaps giving as much as a 20 percent advantage to China in its exports. Bipartisan, it passed here. It did not pass in the Senate. However, this year my Republican colleagues would not even allow that to come up for a vote here, even though it has now passed in the Senate. So the Chinese currency bill passed the Senate; it is languishing in this House. I do not understand why our Republican colleagues want to continue to allow China to have an unfair advantage.

I was going to wrap up with this. China subsidizes to a fare-thee-well its solar and wind industries. So much so that they have taken over the market and have led to the bankruptcy of a couple of American solar manufacturers, Solyndra being one example that is much discussed around here. But it was really as a result of China driving down the price of solar panels.

This bill, again one that I have introduced, and it comes directly from my district because we have a major wind farm and solar system there, it says that our tax money that presently goes to subsidize the purchase of solar systems and wind turbines must only be used to buy American-made wind turbines and solar panels. In other words, buy American, make it in America, and rebuild our industry.

I am going to just wrap up quickly.

It's the holiday season. It's that time when we think about our families. It's that time when we think about our communities. We have a real obligation here in the House of Representatives to put forth really solid legislation to support those men and women and families in America that, through no fault of their own, are unemployed or are having a very difficult time in making it in the current economy as wages are driven down and as opportunities for advancement are diminished.

□ 2110

What we hope for, and literally pray for, is a consensus, a compromise, in the next couple of days here on the floor of this House and with the Senate so that we can pass legislation that would actually help the American workers, those that are unemployed and those that are seeking a job or have a job and are unable to make it, and with that payroll tax deduction put another $1,000 in their pocket. And I want us to keep in mind that in America today there are 1.4 million children—1.4 million children—that are homeless. Their parents have lost their job, they've lost their home, and they're sleeping in cars. They're homeless. They may be able to find an opportunity at a motel. We've seen some of this on television. But this is in all of our communities. Every community in America has this problem.

And it's up to us here in Congress to use what compassion and wisdom we possess to find ways of addressing it. We have such an opportunity with the payroll tax deduction, with the welfare. And, unfortunately, the bill that passed here yesterday basically would put money into the right pocket through a payroll tax deduction or an unemployment check, and then take it out of the left pocket with an increase in fees, a reduction in medical services, the closing of clinics or other ways in which that money would be extracted.

Yes, it would balance. It wouldn't increase the deficit except for the working men and women of America. We think that's wrong, and we've offered a different solution.

My colleague from New York has come for a couple of short comments. I promised Ms. KAPTUR the last few moments of this. Welcome, Mr. TONKO. The East-West Show is back in session.

Mr. TONKO. Representative GARAMENDI, thank you again for leading us in what has been a very important discussion about job creation and job retention in our country. And I couldn't agree more than with your sentiments that include this concern about providing a benefit to the middle class in terms of a payroll tax holiday extender, but then also asking them to pay for that benefit. So it is like one hand is offering and the other hand is taking from our working families, middle class Americans. This is not the prescription for success.

What has been offered by the President is a payroll holiday extender, a tax holiday extender for both employers and employees. And there are many small businesses that stand to gain. The overwhelming majority of small businesses gain by that extension, and certainly the employees do. But it works best when you bring leverage into the equation that comes from the surcharge that is placed upon the most high income strata in our country.

And when you look at the charts from 1979 to the present day, there is no denying what statistics indicate. Facts can't be argued with. There has been this exponential rise in the growth of income for the top 1 percent to about 250 percent of an increase, all while, from 1979, middle-income Americans have seen a flat-lining of their household income, and now it's even dipping. So why mess with this progress that has been realized, this steady climb upward—slow but steady—from an 8.2 million jobs loss hole? We have climbed steadily. Why would you mess with that obvious success that is coming back into the economy? Allow for America's middle class families to move forward, and allow for that benefit to be paid for by someone other than the middle class. Otherwise, it's giving and taking from the same audience. It makes no sense.

We stand by progress, we stand by progressive policy, and we stand by our

middle class, our working families. Let's get it done for middle class America. Without a strong middle class, there is not a strong America.

Mr. GARAMENDI. I thank you very much, Mr. TONKO, for bringing that up.

I'm going to ask Ms. KAPTUR of Ohio to take the podium here and to tell us about Wall Street and some of the reforms that she is advocating.

Ms. KAPTUR. I thank the gentleman for yielding me this time and rise this evening on the subject of MF Global and the clear need for oversight by the Congress.

Mr. Speaker, Congress isn't doing its job to investigate the fraud that has infected our entire financial system, fraud perpetrated by Wall Street, and it has hurt the global financial system as well. I think the reason is that too many people have forgotten that gambling with other people's money often entices very addictive personalities who are incapable of self-policing. They need rules, they need limits, and they need oversight. Otherwise they just keep getting into the same trouble again and again, harming innocent people in the process by looting their assets.

The American people know that corruption on Wall Street is pervasive, and millions upon millions of our fellow citizens have been harmed by it. The Republican leadership in this House have failed in their responsibility to aggressively investigate crime in the financial services sector.

Earlier this month, I spoke about Bloomberg's report on how President Bush's Secretary of the Treasury, Hank Paulson, in 2000, inappropriately and behind closed doors in a private meeting tipped off his former colleagues at Goldman Sachs and a handful of Wall Street insiders about how Fannie Mae and Freddie Mac might collapse and what steps the government intended to take. All of this occurred on the very same day that Secretary Paulson led The New York Times to believe that those two companies would give a signal of confidence to the markets.

You can imagine what those financial insiders did with their investments before the rest of America was even aware.

I also reminded my colleagues that the Securities and Exchange Commission was finally rebutted recently in a New York court for settling fraud cases with major Wall Street banks like Citigroup in a way that allowed the biggest banks to walk away by simply paying a few fines without so much as admitting any wrongdoing.

I ask, where is this Congress' oversight of these most crucial financial machinations that have so harmed our Nation and world since the market crashed in 2008?

Finally, after months and months of press coverage, Congress is taking a tad of action. Last week, the House's Agriculture Committee held one of the first hearings we have seen all year. That hearing, called by Chairman FRANK LUCAS of Oklahoma and Ranking Member COLLIN PETERSON of Minnesota, began to shed some light on what is the eighth-largest bankruptcy in U.S. history at MF Global Holdings. Its misdeeds had been widely reported, but they deserve much closer scrutiny. We need to subpoena their full records and transactions that led to the collapse.

Even before last week's hearings, we knew that MF Global Holdings filed for Chapter 11 on October 30. Citizens in my district have been impacted and harmed as over $1 billion disappeared from customer accounts. The Washington Post and other press reported weeks ago that the firm's CEO, former Governor Jon Corzine, had essentially placed a $6.3 billion bet on the sovereign debt of several European Governments. After its most recent quarterly return showed almost $200 million in losses, MF Global stock lost 67 percent of its value.

But this is not just a case of an investment firm being lured by the higher returns of riskier bonds. As investigators continue to piece together what happened at MF Global, there is increasing evidence of criminal activity. This case has all the trappings of a massive case of fraud.

Now, CME Group Incorporated, which audited MF Global's accounts, reported weeks ago that Mr. Corzine's company violated key Federal requirements to keep its accounts separate from their customer accounts. At last week's Agriculture Committee hearing, the public was once again told that as much as $1.2 billion may still be missing from segregated customer accounts.

This isn't just a case of misplaced money. The financial press has been reporting a staggering amount of malfeasance in the days before MF Global filed for bankruptcy. In an apparent effort to buy themselves time, MF Global sent checks instead of wiring money. Many of those checks, we all know now, bounced. There are stories of requests to transfer funds being denied and even inaccurate account statements being issued. Even more egregious are accounts of people receiving bounced checks going back and finding their accounts were also altered inappropriately. May I ask, if this doesn't sound like fraud, what is it?

□ 2120

The American people must demand more congressional oversight. Congress needs to produce more information.

I attended last week's hearing in the House Agriculture Committee. While some important questions were asked of Mr. Corzine, Congress' responsibility has been far from met. Anyone who carefully followed the hearing watched as Mr. Corzine dodged questions and provided hollow responses.

The Wall Street Journal provided us with an interesting assessment of Mr. Corzine's testimony that is worth entering in the RECORD. According to the Journal, Governor Corzine ducked or deflected questions 15 times. On five occasions, he used a well known strategy for avoiding accountability by using some variant of the phrase, ''I did not intend to break any rules.'' He apologized or expressed regret six times for the damage his choices wrought on countless families and businesses. But the operative fact is $1.2 billion; that is the amount that is missing from MF Global's segregated client funds for which Mr. Corzine could provide no explanation. In fact, astoundingly, this seasoned trader pleaded ignorance of what was happening at his own company.

Let me mention that the Commodity Futures Trading Commission, Jill Sommers, a representative who testified at the hearing, was very invaluable to public understanding.

The SPEAKER pro tempore (Mr. GRIFFITH of Virginia). The time of the gentleman from California has expired.

Ms. KAPTUR. Mr. Speaker, I believe that I have a Special Order and time remaining, my own Special Order for 30 minutes.

MF GLOBAL

The SPEAKER pro tempore. There being no majority Member to be recognized at this time, under the Speaker's announced policy of January 5, 2011, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 30 minutes.

Ms. KAPTUR. I thank the Speaker.

Let me rephrase this. At the hearing, the Commodity Futures Trading Commission's Jill Sommers' testimony was invaluable to the public. Her testimony places the MF Global collapse in proper perspective, and I'm quoting directly. She said:

''Lehman Brothers and Refco are the two most recent futures commission merchant bankruptcies. While the Lehman Brothers' bankruptcy was monumental in scale and the Refco bankruptcy involved serious fraud at the parent company, commodity customers did not lose their money at either firm. In both instances, commodity customer accounts were wholly intact; that is they contained all open positions and all associated segregated collateral. That being the case, customer accounts were promptly transferred to healthy FCMs''—or futures commission merchants—''with the commodity customers having no further involvement in the bankruptcy proceeding. Unfortunately, that is not what happened at MF Global because customer accounts were not intact.''

The fact that ''customer accounts were not intact,'' as Commissioner Sommers described it, means that someone took other people's money. I believe most of us would call that theft. Even if some of the money is recovered by the bankruptcy process, that does not alter the fact that the process by which customer accounts were violated broke the law.