Mexico, whether or not the State of Texas must abide by a World Court decision telling them to retry a case. And the second issue was, does the President, any President, have the authority, as the executive branch of government, to order a State court to do anything, including retry somebody for a case where they have been found convicted.

Well, the Supreme Court ruled 6–3 that the World Court opinion has no bearing in Texas courts and that the President of the United States, the executive branch, has no jurisdiction over Texas courts to tell them what to do. The International Court of Justice, as the World Court is called, lacks jurisdiction in this case to order the courts of Texas to do anything because, you see, part of the problem was Jose Ernesto Medellin never complained for over 10 years that he didn't have the chance to talk to his Mexican consulate, and as most lawyers know in the legal profession, and as a former trial judge, if you don't object at the trial, you've waived that right indefinitely.

So, Madam Speaker, maybe justice will be served in this case if Jose Ernesto Medellin will meet the fate he deserves, and maybe our Federal Government will stop taking the wrong side of this issue of supporting illegal immigrants over people in the United States, like little girls who are murdered.

And that's just the way it is.

IMPORTANCE OF ISSUES DEBATED IN SUSPENSIONS

The SPEAKER pro tempore (Ms. CLARKE). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Madam Speaker, as we debate various issues here in the United States Congress and in this House, it is sometimes important to remind Members of the history of this Nation and the importance of matters that Members discuss. They are called suspensions, but they're no less important and speak eloquently to the history and the diversity of this Nation.

I would quickly like to acknowledge my support for the Civil Rights Act of 1964 commemorative coin and support my colleague JOHN LEWIS for offering this very important initiative, for a country that does not remember its history is doomed to repeat the past. We've gained much from the Civil Rights Act of 1964, and I support the legislation.

As we speak today about honoring our history, I am also reminded that this is the week of the 40th anniversary of the assassination of Dr. Martin Luther King. This past Friday, I was able to stand in front of the hotel in which he was assassinated, walk out on to the balcony and be reminded of this peaceful giant. And so it is important for us to take a moment, of which we will do on this coming Thursday, to remember not so much his death and the violence of his death, but his love for humanity and the ability to bring people together. He truly was a leader of a movement.

Today, I stood with my colleagues, Congressman BACA and others, to support the national holiday for Cesar Chavez because they were brothers, Martin King and Cesar Chavez.

I think it is important as we look at Women's History Month that we recount not only our national figures as I support the debate that reminded us this past month, March 2008 was Women's History Month, how exciting it is to see the historic opportunities that women have had and are increasingly having, knowing that they just gained a vote in 1920.

I was very honored to be able to bring to the attention of my colleagues Ramona Tolliver, a champion and a fighter for empowerment of those in the Fifth Ward area; Nellie Joyce Punch, again from Houston, a fighter for those in the Fifth Ward area and educator and a lover of providing equal opportunity to young people; Dr. Deason, a long-standing principal in Houston of the High School for Health Professions. There is certainly no greater lover of education and helping our children than Dr. Deason. And certainly I think it is important to acknowledge Commissioner Sylvia Garcia in Houston who has turned the corner as the first woman commissioner in Harris County. Then, of course, I salute Shirley Chisholm and Carole Mosley Braun, women who ran for President, and my former predecessor Barbara Jordan.

Women are on the move, and it is certainly important to acknowledge their history in this country, and it should not be ignored that women have struggled to overcome, and that is, of course, the women who get up every morning and ride the buses and teach the schools and work for us in restaurants and in hospitals and are doctors and lawyers and others. Women deserve the honoring of this month.

□ 1745

And one who certainly deserves it is a Civil Cross winner, a young 19-year-old from Texas, Monica L. Brown.

Which brings me to the upcoming testimony of General Petraeus and Ambassador Crocker. Having just come back from Iraq, let me simply say that the legislation that I have offered, which I will discuss over the next couple of days into the testimony of the two individuals that will be coming, first of all, let me thank them for all of their service and offer my concern for the public servants and U.S. personnel in the Green Zone, of which we have stayed, who have been bombed in the last couple of days. It is the very clarity of what I saw that says to me it is time to bring our troops home. We serve no large purpose to engage in, if you will, the civil war that may be going on in Iraq. We can serve as technical advisers and counselors, and we can bring other nations together to assist in a peaceful transition. We can, as my bill says, bring our soldiers home in honor and begin a diplomatic surge; make the Maliki government engage in nonsectarianism, as the Sunnis told me face to face; eliminate the sectarianism, Shiite and Shiite, Kurds and Sunnis; and begin to talk about a stable Iraq. That is not America's task; it is a task of the Iraqi government, the Iraqi people. And it certainly is a task that we must charge Iran for them to stop sending mortars and ammunition to create the havoc that is going on. But that is not the war. That is not the resolution. That is not the war of America. It is clearly a time to transition.

Those are the hard questions that we will pose to our heroes, Ambassador Crocker and General Petraeus. We appreciate that they have been trying to serve America in the best way possible, but it is now time to serve not only America and our sons and daughters but the American people who deserve an investment in their country, a rebuilding of the military, and an acknowledgment and celebration of the heroes of the Iraq War and certainly a recognition of those who still fight in Afghanistan for it is time now to focus our attention there.

With that, Madam Speaker, we look forward to saving America.

THE NATIONAL RAMIFICATIONS OF U.S. AIR FORCE'S DECISION TO AWARD TANKER CONTRACT TO EUROPEAN AEROSPACE CONSORTIUM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the majority leader.

Mr. INSLEE. Madam Speaker, Mr. TIAHRT of Kansas and I, and others may join us later, have come tonight to talk about an important issue with large national ramifications, and that is the decision by the United States Air Force to decline a contract for our next extremely important tanker and to give it to a consortium, a very significant portion of which will be manufactured in Europe through a consortium in part with EADS and the Airbus company in Europe.

I represent an area north of Seattle with thousands of Boeing workers; so obviously this is an important issue in my district. Certainly the hometown team is Boeing.

But our discussion tonight will be about why all America ought to be very concerned about this decision for several reasons. And it is an obvious situation where there is very significant employment in my district that any Congress person would be concerned about that, but what we want to

talk about tonight are the national ramifications and why we believe this is a very, very injurious decision that needs to be reversed one way or another.

For background in this regard, the very able and really spectacularly performing aircraft, the KC–135, that for decades have provided the very backbone of our United States Air Force capability, will soon be at some point entering their obsolescence. Herculean efforts have been put forward to keep those great airplanes in the air, but at some point we've got to have a new airplane, and we know that that is the case.

So we have been engaged in an effort to provide another replacement. A good United States product, Boeing, competed with subcontractors across the United States for a 767 airframe that we believed was perfect for the task, and by all information provided, the Air Force would provide the capability that was needed by the Air Force.

Unfortunately, the Air Force has decided to reject an American contractor on this extremely important contract. And obviously it's important for dollars. It's a $40 billion contract, with a ''b.'' That is a significant contract. But of more importance to Americans are the job and employment prospects, and obviously that's important in the aircraft industry. If we see what has happened recently in the last decade, we know why it's important to think about this issue.

If I can refer to a chart showing the decline in teal or blue, this shows United States aerospace industry employment from 1979 to 2007. We have suffered a very, very significant decline, just about 50 percent of employment jobs in the United States compared to what we had in 1983, a peak year. Now, that has corresponded with the rise of the Airbus aircraft deliveries that have gone up, as indicated in these red bars, pretty much every year since about 1979. So we have had a significant loss of employment in the United States already in our aerospace industry. It has been in sync with the rise of Airbus sales. And we respect competition in America and should not decry or shrink from competition, and we would congratulate Airbus in a legitimate competition in any of these sales. But we point this out to show that we have already suffered a significant decline of thousands of jobs in the United States. So now we have a situation where that loss will be exacerbated by this decision should it stand.

Now, what is at stake here potentially could be 44,000 American jobs. Predictions are in that range of jobs that would have been involved in this contract. We know that we get different stories about where the Airbus employment will be. I want to point out one of the curious things, if I can. We get certain different viewpoints about where the jobs would be if, in fact, this contract is ultimately granted to Airbus. I note a newspaper article here in Les Echos, and I may mispronounce that, in Europe when Airbus talked about the employment on this contract. The article says that 76 percent of the employment associated with this tanker contract would be European and only 21 percent would be combined United States and Canadian content. That's in the article as publicized in France. In the United States, the rather large public relations effort that has gone on through Airbus, in fact, says it will be 50 percent in the United States. So it appears, at least in one instance, Airbus suggests that only 21 percent of the product in this tanker will be in the United States, and in America they suggest it will be about 50 percent. Some could chalk that up to hyperbole, salesmanship, but it means tens of thousands of jobs to Americans across this country, not just in the Seattle area where I reside but contracts across this country. We think that's significant and it's unfortunate. So this is a very significant thing that we are here to talk about tonight. It's not only employment but it's capability as well.

So we are going to talk tonight about the ramifications of this decision, why we think it was inappropriately made, and what we may consider to reverse this decision.

And with that I would like to yield to the gentleman from Kansas (Mr. TIAHRT), who been a stalwart and a champion on educating our colleagues about the importance of this, something we are going to talk about tonight at some length, which is the favorable treatment of Airbus by the European governments and why this has skewed this particular contract.

Mr. TIAHRT. I thank the gentleman from Washington for yielding. And I also want to thank Mr. INSLEE for his leadership in trying to bring some common sense to the procurement process down at the Department of Defense.

Madam Speaker, Americans are outraged by the Air Force outsourcing our national security to the French. This contract award to a foreign manufacturer is wrong, and it makes us less, not more, secure.

As my chart to the left here shows, we should have known that we had a problem when the President's helicopter replacement, the VH–71, went to a foreign manufacturer. We should have suspected it again when the light utility helicopter went to a foreign manufacturer. And now with the KC-X program going to be a manufacturer, it's as plain as the nose on your face. We have three of the last four major contract awards now going to foreign suppliers.

Here's how this works: The Department of Defense and the Air Force really have bent over backwards to give this contract to the French, but they've been very sly. They first, as a foreign supplier, find an American front company, and then they employ tactics like waiving regulations that our Department of Defense gladly awards them. They use illegal subsidies. They employ illegal subsidies. And then they buy into defense contracts, knowing that further on down the line, there won't be the ability to have an American manufacturer beat them out in any competitive bid. And then further, as was pointed out by Mr. INSLEE, they make promises in their proposals, and then the contracts are awarded by the Department of Defense, but they change their mind about the work content and they keep the work in Europe.

Let me just talk for a brief minute about why this was such a shock when this contract went to a foreign supplier. The Air Force tanker roadmap is a chart that was given to us by the Air Force. I sit on the Defense Subcommittee of Appropriations, and in December of last year, December of 2007, this was the chart that they said was their roadmap to replacing the tankers. On the left-hand side here, we have 2006. This is where this chart begins, fiscal year 2006, and it runs out to fiscal year 2007.

They have two tankers in our stock now. They have two versions of the KC–135. They have the older KC–135Es, which are the first ones to go out of the inventory. Next we're going to replace the KC–135Rs. ''R'' stands for the re-engine version of the KC–135. And at the bottom, we have our very largest tankers, the KC–10s, built on a DC–10 airframe, almost as large as a 747. But that's the larger airframe. This is the medium-range tankers, according to the Air Force.

The KC–135s, as you can see, in 2006 we started to take them out of the inventory. And as time goes on, you can see this little yellow triangle getting smaller and smaller. That means the KC–135s are going to Davis-Monthan Air Force Base into what we call the ''bone yard.'' They're no longer flying.

We're still flying the KC–135s. The average age is about 45 years of age, and they need to be replaced. We have then the KC–10s. They're the newer version and the larger tanker.

So what the Air Force told us is that they were going to replace this KC–135 medium-sized tanker over the next 15 years. Actually, it's going to run about 20 years with all that's said and done on the current schedule. But we were supposed to start out here in 2011 by having them first delivered.

So when the contract was awarded, did we get a replacement for the KC–135? No. The Air Force bought an airplane larger than the KC–10. So, naturally, everybody was shocked all across America. And then when they found out that the KC–10 replacement is the KC–30, a variation of the Airbus A330, a French airplane, they were shocked and outraged. We're outsourcing our national security to the French.

So what is behind this decision? How could this possibly have happened? Well, if you look at the contract scenario, we find out that there were waived regulations, waived regulations

by our own Department of Defense. They waive them for our NATO allies. And if you go to the Defense Federal Acquisition Regulations, paragraph 225, it will tell you which of the 20 nations have waived regulations when they bid on defense contracts. Those 20 nations include the four ownership nations of Airbus and the parent company of EADS. They include the United Kingdom. They include Spain. They include France, and they include Germany. These are the regulations that are waived, and they're very costly, very expensive.

Let's just look at the first one on the list here: Cost Accounting Standards. Now, Cost Accounting Standards say basically that you have to include all the costs that it takes to make a product that you're going to supply to the Department of Defense. And if you miss a cost or shift costs in and out of a contract, it could be a violation of the Cost Accounting Standards with very high penalties. It could be determined that it was fraud, and people could go to jail. Or it could be determined that you tried to give the government the slip on some data, and you would be barred from doing business with the Federal Government.

□ 1800

You can't shift cost on cost accounting standards. They are very costly to comply with. You have to have people hired to keep track of all costs. They must track them, compare them, report them as far as their relationship with schedules. If you don't have to do it, like EADS, in the case of this tanker, then it's much cheaper as far as your proposal. So cost accounting standards were waived by the Department of Defense for EADS, but they were required by the Boeing Company.

Now what does this mean for the Boeing Company? It means they have to include all their costs, including health care costs. Health care costs that they pay for their employees, workmen's compensation costs that they pay to cover the employees are all included in these costs. They have to be included in their proposal. If you don't do it, it is a violation of the cost accounting standards.

But those costs are not in the EADS proposal. Health care costs, workmen's compensation costs are picked up by the government, so they don't have to pay for those. Again, that gives a lower bid to EADS for this kind of a cost.

Mr. INSLEE. Will the gentleman yield just for a minute?

Mr. TIAHRT. I would be glad to yield.

Mr. INSLEE. I want to point out about this cost. Even under the Air Force's own accounting, even with these what you may consider rigged accounting standards that Mr. TIAHRT talked about, even under the Air Force's accounting standards, they concluded that the 767 is about 24 percent more fuel efficient than the Airbus product. You're going to save massive amounts on fuel over the lifetime. In fact, the Air Force estimated the Airbus product will burn $30 billion more fuel over the lifetime, even under the rigged accounting standards.

So the point is that we need the Air Force from a taxpayer standpoint to be looking at the operational cost. We just had the executives of the five biggest oil companies today. Those oil prices are not going down any time soon. If anywhere, they are going up.

So this is why we are saying that the country, not just the place these planes are made, but the whole country has a stake in this to really look at the operational costs on that.

Thanks for yielding, Mr. TIAHRT.

Mr. TIAHRT. You make a very good point about the net cost to the taxpayer. Getting back to these accounting standards which you are pointing out, the net cost is very high to the taxpayer. If EADS violates the cost accounting standards, we will never know it because they don't have to report it. And the cost of reporting this, the Boeing Company had to include. So it's really a difficult time for any American company to compete with a European company when you waive this first standard.

The next standard is a specialty metal standard, called the Berry amendment. This is where our manufacturers are required to track from the time a metal is mined from the ground and processed, until it's riveted onto an airplane. Tracking. That means people are sitting somewhere at a desk and they are spending time trying to keep track of who is processing this and what procedures were put in place. It's very costly. But it was waived for the European manufacturers by our Department of Defense in DFARS 225, that's the Defense Federal Acquisition Regulations again.

The next one that was waived by the Buy American provisions. Buy American provisions basically say 50 percent of this product has to be made in America. Now the goal in this proposal for Northrop Grumman, the EADS proposal, said 58 percent was their goal. If you look at previous contracts with the Department of Defense, like the light utility helicopter, which EADS also won, their goal there was 65 percent. But they had some American suppliers in there that were included in the bid, and as a second thought EADS said, well, we have got a production line in Europe. Things are going pretty well. We think we will just keep this work here.

So there are companies in Kansas that were cheated by this. There was a Spirit Aerospace Manufacturing, which lost the fuselage of the helicopter. There was Command Aerospace, which lost the floor board of the helicopter. Then there was ICE, Incorporated, which lost the wire harnesses for the helicopter. All American work content in the proposal that was then awarded as a contract and then that work was pulled back to Europe.

When I asked the Army about this in an open hearing, their response was, well, we have no enforcement mechanism to make sure that these jobs remain in America. No enforcement mechanism. So we waive these kind of standards and regulations that would allow us the knowledge of where these jobs are actually going. And we will never know.

Mr. INSLEE. If the gentleman will yield.

So do I take it that in the current situation we would be issuing a contract for up to $40 billion with no enforcement mechanism to enforce the American content situation. Is that a fair statement?

Mr. TIAHRT. That is exactly right. This is a question that has been put directly to not only the Army, but also the Secretary of Air Force and the head of procurement for the Air Force. It's common knowledge over in the Pentagon they tell us these things and we evaluate them based on these jobs being in America, and low risk, but then there is really no way of enforcing if these companies decide to keep the jobs in Europe.

If you look at this very same contract, the air refueling tanker contract, the first five airplanes are currently planned to be built in Toulouse, France. Then they are going to change the manufacturing procedure and start taking parts and shipping them to Mobile, Alabama, to assemble them. This is a similar scenario to the light utility helicopter. When it came time to ship those jobs to America, they decided to keep them in Europe.

There's no guarantee in this contract that has been awarded by the Air Force that says, yes, you plan on doing this in Mobile, Alabama, but there's no enforcement mechanism to make sure the jobs actually come to America.

Mr. INSLEE. That's most disturbing because of that experience and because of reading that in France, they tell the French they are going to have 76 percent of the jobs in Europe. Then they come over in America and tell us they will maybe have 50 percent. This is one reason, just one of the reasons this contract has to be reviewed.

I want to mention one now just before I yield to Mr. LOEBSACK for a moment. There is another aspect of this that is outraging Americans, and certainly is in my State, and that is that we are issuing this $40 billion contract to a company that essentially one of the partners that the American Government itself says is acting illegally. Because according to our U.S. Trade Representative, who has initiated a legal action against these companies for receiving illegal subsidies, illegal subsidies that violate international law, and by extension, violate United States law, at the same time we have taken this almost unprecedented action to bring a case in the world courts, the World Trade Organization, against their illegal subsidies. That is one agency of the United States Government. Sort of the ''cop on the beat''

blowing the whistle. And at the same time, another agency, the Air Force of the United States Federal Government is bailing them out of jail and giving them a $40 billion contract.

That is hard to explain to any American, particularly those in the 300 companies around this country in 40 States that are going to be losing jobs as a result of this. If this isn't a case of the left hand not knowing what the right hand is doing, one hand attempting to sanction these illegal subsidies, and I think anybody who reviews this would conclude there would have been billions of dollars of illegal subsidies to Airbus over the years, we will talk about those in detail, and then to turn around and reward them with $40 billion. They ought to be receiving a sanction from America, a punishment from America, some type of slap on the wrist, at least. Instead, they get $40 billion of taxpayer money. This is wrong by any sense, the code of the West, international trade treaties. This is something we all ought to be united about.

With this, I would like to yield to Mr. LOEBSACK from the great State of Iowa, who has a concern about this.

Mr. LOEBSACK. Thank you very much. I would like to thank the gentleman from Washington for organizing this Special Order hour on the award for the contract to build the next generation of air refueling tankers. I want to thank everyone who's here at this point speaking on this issue.

Needless to say, I was deeply disappointed that the KCX refueling tanker contract was not awarded to the Boeing team. Rockwell Collins of Cedar Rapids, Iowa, is a part of the Boeing bid and would supply the aviation and electronic sub systems on the KC–767 advanced tanker. The State of Iowa has a well-earned reputation, I believe, as a leader in innovation, and Rockwell Collins is at the forefront of the cutting edge technological development for which our State is known.

With 9,200 employees in the Cedar Rapids-Iowa City corridor, Rockwell Collins is the largest employer in the Second Congressional District in Iowa. The Boeing bid would bring 1,600 high-paying jobs to Iowa, most of them in the Second Congressional District, and would invest over $60 million annually in the State.

Equally important, it would put a program that is absolutely vital to our national security and the readiness of our armed forces in the hands of highly skilled Iowans and American innovators and manufacturers. I think that is an absolutely critical point to make.

Rockwell Collins employees are hard-working, they are dedicated, and they are highly qualified workers. They work each day to provide the men and women who wear our country's uniform with the equipment and the tools they need to safely carry out their mission. I am a member of the Armed Services Committee and I know the importance of the aerial refueling tanker to our ability to support, equip and provide medical care to our deployed men and women in uniform.

As the Representative of Iowa's Second Congressional District, I know firsthand the impact of putting thousands of jobs and tens of millions of dollars into Iowa. In light of this and our country's current economic state, I find it difficult to believe that the Air Force has elected to ship thousands of jobs overseas by awarding a key component of the United States Air Force to a heavily subsidized European industry.

The aerial refueling tanker contract award must serve the interests of the American people and American national security. I repeat that. It must serve the interests of the American people and American national security. The awarding of the tanker contract to Northrop Grumman and EADS will force the Iowa Air National Guard to use scarce resources to construct new hangars in order to accommodate the larger size of the EADS planes. The estimated cost for the construction of the new hangars would be roughly $45 million.

Moreover, the runways currently used by the Iowa Air National Guard are not able to withstand the weight of a fully loaded EADS tanker. Thus, new ramps and runways would have to be constructed. The total cost incurred by the Iowa Air National Guard to house the Northrop Grumman EADS plane would be roughly $50 million to $60 million.

I fear that the awarding of this contract to a non-U.S.-based company would not only send tens of thousands of American manufacturing jobs to Europe, it would put important defense manufacturing expertise in foreign hands. I am especially concerned that this would leave our country perilously dependent on foreign contractors for our most important national security needs. And this is unacceptable.

The aerial refueling tanker is critical to our national security. We all know that. I strongly believe that American defense should be in the hands of American workers. I urge the GAO to carefully evaluate Boeing's petition and to assure that our men and women in uniform have the best value and the best performing equipment.

I thank the gentleman from Washington for allowing me to speak.

Mr. INSLEE. We thank the voice of Iowa. This is important across the country. The jobs that Mr. LOEBSACK is talking about losing would not have been lost if the Air Force had considered the fact that these companies are receiving these illegal subsidies. And it's not just we three Congressmen talking about it, it is the executive branch of the United States, which has fully evaluated this and come to the conclusion these were illegal subsidies.

These were not just small. They received $1.7 billion in launch aid to develop the new A–350. They received $3.7 billion in launch aid for the A–380. That is why our U.S. Trade Representative has started this enforcement action, blown the whistle on these illegal subsidies. Frankly, it has been years later than it should have been. But we have finally done it. It's one of these great sort of black comedies to think in the year period when we finally blew the whistle after all of these years of abuse of these illegal subsidies that disadvantage American workers, that that same year the Air Force ends up giving a contract for $40 billion.

These subsidies are not just an issue of dollars, they are jobs in Iowa as well. I want to thank Mr. LOEBSACK. I would like to yield to Mr. TIAHRT.

Mr. TIAHRT. I thank the gentleman from Washington and the gentleman from Iowa. He is representing one of the 42 States that is impacted by this decision. Getting back to the statement that the gentleman from Washington, Mr. INSLEE, said about cleaning up the act, there is a report that really highlights why it is so important that it is such a travesty that foreign corrupt practices is one of the regulations that is waived.

We can't track what EADS is doing when it comes to their interface with foreign suppliers and foreign countries. But there is a report that was put out by the Center for Security Policy in April 2007. The name of the report is: ''EADS is Welcome to Compete for U.S. Defense Contracts—But First It Must Clean Up Its Act.'' Then it goes through and highlights some of the corrupt practices that EADS has been known for across the globe, and their problematic issues.

□ 1815

Issue number one, espionage, bribery and other dirty practices; issue number two, Russian ownership and influence of EADS; issue number three, trying to supply America's adversaries with weapons.

The report goes on, but in the section called ''Bottom Line,'' it says the six things that EADS must do before they should be allowed to bid on government contracts.

Madam Speaker, those six issues are: Number one, resolve espionage problems; number two, correct the bribery problem; number three, remove the Kremlin from the company; number four, prevent other ambiguous or known bad actors from owning EADS stakes; number five, resolve the proliferation problem; and, number six, resolve anti-American workforce problems.

This is what the Center For Security Policy suggests to the Department of Defense and to Congress, it is a public document, that we should do before we should allow this European manufacturer to supply products for our defense. And we won't ever know what they are doing right, because the foreign corrupt practices regulations are waived by our own Department of Defense. That is another reason why this is such an outrageous practice.

Mr. INSLEE. We should point out that this law, this international law against subsidization, has not been waived by Congress. This is sort of a backdoor way to waive an international agreement.

We have an agreement that now we are attempting to enforce that would prohibit this illegal launching. ''Launching'' basically is a situation where a European government assists the private manufacturer, in this case Airbus, by giving them essentially loan guarantees or essentially free money. You give them a loan that they don't have to pay back if the airplane doesn't do well. That is an enormous subsidy, to give free capital, in essence, or low cost capital, when you are manufacturing an airplane. Of course, when you develop an airplane, there are billions of dollars in development costs. Well, if a company like Airbus can go to their governments in Europe and say give us a loan we don't have to repay if the airplane doesn't perform as expected, we don't make money on it, that is an enormous subsidy.

Europeans with Airbus have been doing this for years. We have international laws against that, and those laws are in effect national laws in America. But somehow it is just like we ignored these. It is like they didn't exist.

Congress certainly never waived those laws, the courts have never waived those laws, the President has never waived those laws, the American people have never waived those laws. But somehow the Air Force did not take into consideration these enormous subsidies, and that is why this thing, this contract, has an odor about it, where we don't take into consideration that violation of international and American law.

But I want to talk, if I can, about the capability of these aircraft too, because obviously we want the best possible airplane for the job. There is possibly no more critical infrastructure, certainly to our Air Force, than the ability to refuel our planes. This is the absolute spine of the whole skeleton of the Air Force, to have this refueling capability.

There has been sort of a propaganda war that has been waged by the Airbus folks to sort of suggest that the Boeing airplane wasn't up to the job, and I just want to point out some of the facts about this aircraft that I think it is important to realize.

First off, if you want to look at the only company in this bidding that has essentially ever built an air tanker and has been building them for 50 years for America, it is Boeing. This is the hometown team that has been doing it for decades successfully, and I think we should maybe start the discussion from that point.

Second, the airplane that Boeing bid has some very distinct advantages that somehow were not considered, one of which is that the Boeing airplane can service about twice as many airfields as the competitor. The reason is it can land in shorter, not quite as equipped airfields. It can land fully loaded in 811 airfields around the world, compared to the competitor at 408. This is a distinct advantage, considering we don't know why where the next conflict is going to be. We don't know what sort of developing world airfield we are going to use. The airplane that Boeing proposes can be serviced and can essentially use twice the number of airfields.

Second, and this is critically important, the Boeing 767 is 24 percent more fuel efficient. In these days of a crunch with fuel and global warming we have to be concerned with and the enormous increase in costs that the Air Force is experiencing, this ought to be taken into consideration. That adds up to $30 billion, a distinct advantage.

Third, and this is one that I think is worth mentioning, this sort of propaganda effort that was started by the Airbus folks to suggest that the Boeing Company didn't score well just simply doesn't comport with the facts.

There were several factors, the first of which is called mission capability. When they compete these, there is a very sophisticated way of evaluating these. On mission capability, the Boeing airplane scored blue, which means exceptional, and low risk in the area of mission capability. That is the highest possible rating and I think can be considered the most critical factor in the whole competition. The Air Force concluded that the Boeing airplane met or exceeded all key performance parameters, which are also called thresholds and objectives. The Air Force concluded that the Boeing product actually had significantly more strengths, also called discriminators, than the competitor.

So you had Boeing receiving the highest rating possible for mission capability, it met or exceeded all of what is called KPP thresholds and objectives, and it was graded as having significantly more strengths than the competition, and somehow came up on the short end of the stick.

This deserves not only GAO review, but it deserves Congress reviewing this. As folks know, this is being evaluated now under the protest consideration, and we know it will be looked at carefully. But, frankly, if this does not get the thorough review we want, Congress is going to be looking at this, because these numbers just don't add up to say this was the right decision.

On factor two, proposal risk, just kind of from a commonsense standpoint perhaps we can look at the fact that we have one bidder, Boeing, that has been doing this for decades. They have an airplane, the 767, in the air, providing tanker services, ready to go, against a product that is going to be manufactured in this multi-nation system. To me, that would create significant confidence in the folks that have been doing it and have a plane that is in the air. In fact, the Air Force rated Boeing's risk as low, as it should be.

Surprisingly, the competitor was also rated as low, despite to me obvious risk where you have a multi-country, multi-facility, multi-build approach, contrasted with Boeing's integrated approach to design, build and certify with the existing facilities. So, at worst it seems to me that there is certainly no advantage of the competitors in that regard.

I would like to yield to Mr. TIAHRT. I have several more factors, but I want to yield to Mr. TIAHRT because I know he has a great idea.

Mr. TIAHRT. I thank the gentleman from Washington.

When talking about risk, the Air Force has done studies as to what is the best manufacturing technology that we have when we are building a complex, single point of failure system like the tanker. They say the best way to do it is to have an integrated production line, where you build your commercial off-the-shelf item and integrate in that very same production line those things that you need to make this a unique product for the Department of Defense. That was what was employed by the Boeing company in their proposal to the Air Force for the KC–767 tanker.

What we find out after looking at and listening to the Airbus or the EADS proposal is that they had this disjointed thing, as the gentleman from Washington pointed out very well, multi-country, multi-manufacturing sites, starting four new facilities that have to be FAA certified and they have to find qualified workers for. This develops a tremendous amount of risk in the proposal that the EADS company was putting forward, as compared to what the Air Force actually asked for in their own studies.

Somehow in this convoluted process of trying to decide which product to buy, they overlooked the fact that the Air Force said this is what we wanted, an integrated production line. We didn't want a multi-facility operation in multi-countries. We wanted it all to happen in one place, where we could keep track of the product and the quality. And yet when it came time to risk, they gave an equal amount of risk to both companies. It just doesn't make any sense.

The other point that the gentleman from Washington made that I would like to add to is what is the net cost to taxpayers? There are some things that the Air Force follows in their Federal acquisition regulations as part of their cost evaluation process, but there are some things they don't consider. For example, they didn't consider outsourcing our national security. They are just based on their rules and regulations. They look at cost and their key performance characteristics, et cetera.

But if you look at other things that need to be taken into consideration in Congress, like how do we secure the national defense industry, the defense base, well, we have to take these things into consideration.

If you look at the $35 billion contract and say what is the real net cost to the taxpayers, the $35 billion contract we know is what was awarded. But if you looked at the fuel savings that was pointed out by the gentleman from Washington, the KC–767 is 24 percent more fuel efficient, and that saves taxpayers $30 over the life of this program. So you take your $35 billion contract and you have to subtract that from the Boeing bid. So what is the net cost to taxpayers? It is $5 billion.

Then you take the comparison of American jobs versus French jobs. One thing unique about French jobs is they don't pay any American income taxes, but American workers do. So you take the 19,000 lost aerospace jobs in America and say what would they have paid the Federal Government over the life of this program in the form of income taxes? Well, 19,000 workers, which is the difference between the two proposals, times about $11,000 a year, which is the average that an aerospace worker pays in federal income taxes, and you take that over the life of this program, it comes out to $8 billion.

So you have got $35 billion. You take away $30 billion worth of savings on the fuel and you get down to a $5 billion net cost to the taxpayer. Then you add back what you would get from the lost American jobs paying taxes if they were employed with the American contract than they would have gotten to pay these taxes. That is $8 billion. So the net cost is actually a $3 billion advantage.

In other words, if we would have issued this to a American company with American workers paying American Federal income taxes, and you take into consideration the fuel savings, it would have actually brought in $3 billion more in revenue in the net cost to the taxpayer than what it had under the circumstances that they had given it to the foreign supplier. Then you look at the lost revenue from corporate tax by having 90 percent of this airplane built in France instead of built in America, and you get another $1 billion.

So what is the true cost to the taxpayers? It is positive $4 billion for the American company employing American workers to make an American tanker, versus $74 billion if you add all these costs up to the foreign supplier using foreign manufacturing workers.

So what would you do if you were a taxpayer? For me, a $74 billion cost or a $4 billion savings, I would take the $4 billion savings, and that says we buy an American tanker made by an American company with American workers. So this decision doesn't make sense just on the net cost to taxpayers, let alone all these other things that we are talking about.

Mr. INSLEE. Coming back, it is not just cost, it is capability. Bigger is not always better, and I am very concerned here that the Air Force has been lulled into the sense that bigger is always going to be better.

Frankly, when I found out that the Boeing tanker can serve in twice as many airfields, it can refuel the V–22, which is our tilt rotor aircraft, this aircraft they have can't refuel one of our aircraft, we are going with a company that has no boom experience, they have never built an airplane commercially with a boom.

We have decided to reject a company, Boeing, that delivered a 767 to Japan, one February 19, 2008, a second one March 5, 2008, they are flying, they are in the air, they are a known quantity. And we are taking this risk, an uncertain risk, just for this apparent decision that all of a sudden bigger became better, which is very interesting, because Boeing could have competed a larger airplane, an airframe of the Boeing 777, and didn't, essentially because they understood that this was a satisfactory size component to deliver.

It made sense when Boeing made that decision and when Air Force led them to that decision, because when you look at the loading, the range of loading and what it has done historically, the Boeing 767 is a perfect fit. If you look at the offloading potential, the Boeing 767 is significantly greater than the average offloading in any of either the Vietnam, the Iraqi Freedom or the Southwest Asia conflicts.

So we are concerned that this decision of this deciding bigger was better was, A, not fair to a bidder, Boeing, which was not told that that apparently was now the Air Force's brand new criteria; B, exposes American taxpayers to greater risk with an uncertain contractor, with an uncertain plan in multiple locations; C, causes significant loss of jobs; and, D, violates international law, or at least awards folks who are receiving illegal subsidies violating international law.

This is not a good thing for the American warfighter, the American taxpayer or the American worker, and that is why we are here tonight suggesting that this contract has to be redone one way or another, and we are going to be talking about ways to do that.

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Mr. TIAHRT. Another thing Congress must consider in this whole scenario is, looking back over history and saying, when we do have a difference of opinion between our European allies and our own country and we employ our young men and women to carry out the will of this country, will our foreign suppliers be there to supply us in our time of need?

During the Gulf War, we had allies that disagreed with what we were doing and they failed to supply the parts that we needed to keep our young men and women safe while they carried out the will of this Nation so they could come home safely to their families. During Operation Iraqi Freedom, again, our European allies failed to support us when, in our time of need and through great diplomatic strains and a lot of harsh words, finally we were able to find suppliers that were going to give us the parts that we needed so that our young men and women could carry out the will of this country and come home safely to their families.

Once again, in this system, it is a single point of failure system. It is a system that, if it is down, everything does not function. We cannot transport aircraft from the East Coast to the West Coast for our military without tankers. We cannot supply our troops or carry our troops anywhere outside the continental United States without aerial refueling tankers. If we are going to respond to a natural disaster like the tsunami in southeast Asia, we have to have air refueling tankers. So, we cannot have such a critical item that is so vulnerable to our foreign suppliers when they may disagree with us politically and withhold the parts we need to have this very critical, single point of failure weapons system.

So if you look at our ability to protect our families, like my chart has here, it is an immeasurable cost. What is the dollar value when we have to protect our families and our military doesn't have the supplies they need to carry out that task? What about the loss of defense workers? That is another immeasurable cost. Once we lose part of our national defense industry base, it is gone apparently forever.

For example, if this contract goes through, never again in America will we rebuild an air refueling tanker. I can give you the technical reasons why, but basically aircraft are built on an improvement curve. And the thought of an improvement curve is a theory, which is reality, is that the second unit costs less time to build than the first unit; the fourth unit costs less time than the second unit; and the eighth unit costs less time than the fourth unit, and on down. Every time it doubles, there is less time to build that next aircraft. After you build 179 aircraft, like in this air refueling tanker contract, you are bidding for the follow-on procurement at unit 180. In other words, you are 180 units down the improvement curve. It is a lot cheaper than if you are building the first unit. An American manufacturer bidding on the follow-on contract would have to bid a number one unit. They cannot keep up, once again, with our foreign suppliers because they are bidding a number one unit and our foreign would be bidding the 180th unit. So we never again will build air refueling tankers here in America if this contract goes forward.

And what does that do? It is a loss to defense workers; it compromises our ability to protect our families; and, it is a loss of defense manufacturing capability. Those are things that are immeasurable in cost, but it is something that Congress must consider when we vote on whether this contract should go forward or not.

Mr. INSLEE. And I hope we don't have to vote. I hope this protest is successful. But we will be looking at the

right ways for Congress to exercise the will of the American people through the appropriation or authorization process. And the reason we intend to do that is that we think there were several mistakes made in this contract that essentially resulted in the Air Force selecting a larger, more expensive, and more operationally limited tanker, despite the fact that the domestic Boeing tanker met the requirements of the Air Force.

So, we intend to go forward. We hope that our colleagues will join us in this effort. It is the right thing to do. It may take some time to do, we regret that, but America deserves this and deserves better than what happened here.

Mr. TIAHRT. If you look at all the data involved, from the employment of illegal subsidies that you pointed out so clearly and how our United States trade representative is taking the European companies to task for these illegal subsidies, when you take into consideration the lost tax revenue, when you consider the costly one-sided regulations that are granted by our own Department of Defense and the loss of our industrial base and the loss of our national security, this is a bad decision, and it appears that the Air Force had to bend over backwards to give this work to the French company EADS. And it is heartbreaking in one sense, outrageous in another. But, for me, it came in the form of outrage.

I know that one of the Senators from Washington State has set up a Web site where you can fill out a survey. I know, on my own Web site at www.house.gov/tiarht, you can get on my Web site and fill out a survey about your feelings on us outsourcing our national security to the French. It is I think a bad decision. It is one that needs to be reviewed by Congress. I am hopeful that the Government Accountability Office will look at these inequities, these disparities, this unlevel playing field, and correct this before we have to take action on the floor of the House.

But I think it is clear from the people that we have spoken with here in the 42 States that have lost workers because of this contract going awry, that there will be something happening on this contract this year, either through the Government Accountability Office or through actions of the Congress, because it is too outrageous to allow our national security to be outsourced to the French.

Mr. INSLEE. I want to thank Mr. TIAHRT and Mr. LOEBSACK.

Madam Speaker, we yield back the balance of our time.

THE WAR IN IRAQ

The SPEAKER pro tempore (Ms. TSONGAS). Under the Speaker's announced policy of January 18, 2007, the gentleman from Connecticut (Mr. SHAYS) is recognized for 60 minutes as the designee of the minority leader.

Mr. SHAYS. I thank the gentlelady for taking her time to allow me and my colleagues to be able to address the chamber. Thank you very much. And I appreciate her husband's service to this country both in Congress and in the Senate.

I am taking this opportunity to talk about the conflict in Iraq, the war in Iraq, and I want to do it based on my 20 visits to Iraq when I first was there in April of 2003 to the trip that just concluded last week. I want to speak very frankly about this war and our presence there and what I think we should do and why I think we should do what we need to do.

September 11 clearly was a wakeup call, from hell, that forced us to address the fact that for such a long time we had a blind eye to what was happening in the Middle East and what was happening particularly as it related to the extreme Islamists who were seeking to get the world's attention by attacking our troops in Lebanon, our Marines, our Soldiers, and Air Force men and women in Saudi Arabia attacked three times, our embassy employees in two countries in Africa, the Cole where we lost 17 Navy personnel and 33 injured.

I was somewhat surprised that, in spite of all this, that we would keep turning the other cheek and ignoring what was confronting us. So when September 11 happened, it was a huge wakeup call. And the issue is, did we respond in the right way?

We created a Department of Homeland Security. Before September 11, when we talked about such a department, people said, ''What are we, Great Britain?'' It was difficult for Americans to conceive that we should do that. We passed the Patriot Act; and clearly we could have given it some other name, but we wanted to make sure that we had modernized our capability to infiltrate cells that needed to be infiltrated. We created a much stronger intelligence structure by establishing a Director of Intelligence that would coordinate these 16 agencies. And we also went into Afghanistan, where there was uniformed consensus that we should do it. But we also went into Iraq, and that obviously was very controversial.

I remember, as I tried to debate whether we should do this, visiting with the Brits, the French, the Turks, the Israelis, and the Jordanians. They all said Saddam had weapons of mass destruction. But the French said, he has them, but won't use them. And we discounted the French because we knew even then, about the Oil for Food Program, that they had been pretty much bought off, and we knew that they would probably not support using the U.N. as the instrument to remove Saddam from power. So we went in. And, we made sure our troops had the one thing that we felt they needed: Protective chemical gear. We really believed that Saddam had both a nuclear program and a chemical program, and we were very adamant that we shouldn't go in before our troops had that protective chemical gear.

But it became very clear early on that Saddam not only didn't have an active chemical weapons program that he could readily use, and there was no nuclear program. So, the very basis for going into Iraq proved to be false.

I voted to go into Iraq based on what I believed was the right thing to do. I am struck by some Members who somehow blame their decision on someone else. I did what I thought was due diligence. I was impressed by Iraq's neighbors. I was impressed by, frankly, Bill Clinton and HILLARY CLINTON and others who had reason to be skeptical but believed as well that Saddam had weapons of mass destruction.

But what surprises me most, and I want to make this point. I remember when George Romney, the former governor of Michigan, not Massachusetts, Governor Romney from Massachusetts's dad, said: I believed we needed to go into Vietnam, but I was brainwashed by the generals. And there was instant ridicule, and he was forced to drop out of the race for President because he wasn't taking ownership for his own decision, and was blaming someone else.

I blame no one for my vote. It was my vote based on my best conclusions. And I would like to think that every Member would own up to their own vote, but somehow some who voted to go into Iraq now act like they didn't, and blame others for their vote. And I think that is wrong. So the question is, we are there, and we were there under false pretenses but very much believed to be true. So what do we do now?

When you go to Israel, Israel had the best intelligence in the region, and they were wrong and they empanelled a commission to try to determine how they could be wrong. They didn't blame their political leaders, they didn't say people lied. What they concluded was that, based on the knowledge that they had, it was reasonable to assume that Saddam had these weapons. That was their conclusion.

It is a fact that even his own troops, his generals, in December were stunned, as we learned from the debriefing of Tariq Aziz and others of the Iraqi politicians, that Saddam told his own generals in December of 2002: We don't have a nuclear program and we don't have a viable chemical program. And they were stunned.

I was so troubled by this that I went to see Hans Blix in Stockholm and I said, ''Why would Saddam want us to think he had weapons of mass destruction?'' And he said, because Saddam thought it was a deterrent to his neighbors, and that he believed there was no consequence because he thought there would be no way the United States would seek to remove him from power if the French and the Russians and the Chinese would not allow the U.N. to be involved.

Well, the fact is that Saddam misread us the first time in Kuwait. Because of Vietnam, he thought we would never go in because of that experience,