



The Solari Report

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Special Release
with Congresswoman Marcy Kaptur

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C. AUSTIN FITTS: Ladies and Gentlemen, it's a real privilege and an honor to welcome to The Solari Report Congresswoman Marcy Kaptur, who is the US Representative for Ohio's 9th District, which stretches from her hometown of Toledo to Cleveland. She is serving her 17th term in the House of Representatives. She ranks 15th out of 435 members in seniority, and she serves on the all-important House Appropriations Committee.

I must tell you that when anybody tells me that there is nobody doing anything, I always refute that, but first on my lips is to bring up Congresswoman Kaptur. There is no public servant I have more respect for.

So Congresswoman, again, thank you for joining us on The Solari Report.

MARCY KAPTUR: Thank you so very much. It's an honor to be on your program, and those of us in public service appreciate the boost.

C. AUSTIN FITTS: I know what a grueling job it is, and I'm very grateful that you're in there fighting for all of us. Now Trans-Pacific Partnership. I know trade agreements is something you know a lot about. You were part of the fight on NAFTA, but you certainly made an effort to make your voice heard on Trans-Pacific Partnership.

If you could just dive in and tell us what it is and what you think of it.

MARCY KAPTUR: First of all, the subject of trade is vitally important to our country. I wait for the day when America is able to have more exports going out than imports coming in.



The problem with trade agreements that have been negotiated over the last several decades is they turn out being net negative for the United States to the point where last year our gross domestic product was reduced by almost one-fifth, where we have seen outsourced production – certainly from districts like mine – with plants literally picked up and put someplace else. I’m thinking of Dixon Ticonderoga that made school supplies and crayons. They were literally picked up out of Sandusky, Ohio and plunked down outside of Mexico City.

I am for trade that results in positive trade balances for the United States, or – at worst – just a balance. But to have decade after decade of trillions of dollars of deficit have ended up costing up millions and millions of jobs and lost productivity inside this economy.

Now this new agreement that is called the Trans-Pacific Partnership that was negotiated in secret and would actually support many multi-national business interests and their agendas to the detriment of local state interests and certainly the interests of those individuals who are working very hard at whatever product or service they are offering, and I can’t even talk about the agreement publicly.

There is a lot of secrecy that is involved in it, and it’s a real overreach, I feel, by the executive branch. We need to have trade agreements that can result in positive trade balances for our country so that our country can grow and our population can have rising income, which has been really very ephemeral and very out of reach for the vast majority of Americans as the middle class shrinks.

C. AUSTIN FITTS: We published a special report about a month ago on all the information that we could find – which is, of course, limited. One of the things that struck me is that this is not so much a trade agreement as it is the words I heard when I spoke with your staff ‘a treaty’ because as you’re talking about reengineering the relationship between corporations and sovereign governments in a way that I would say is unconstitutional. I can’t fathom that this is legal.

MARCY KAPTUR: I believe it to be unconstitutional and an overreach by the



executive branch of its authority, and it's time for the legislative branch to put its two feet down and say, "No more."

There are 28 chapters in the agreement and only four actually deal with trade. The rest include chapters that would allow foreign corporations to sue in private tribunals and even sue local, state, and federal government for policies like food safety. That could be brought into question, or whether or not we could have a US Postal Service. "Brought into question!"

Really, it is a treaty. The fact that they want to keep it so secret and not allow us to have full sunlight should cause the American people to question the process by which this is being brought before the congress itself. It truly has been an overreach by the executive branch for a long time.

The last agreement they tried to shove through here, which dealt with Korea, we were promised that we would have 50,000 cars over there by this time; there has only been a trickle. We now have a larger trade deficit with Korea. So they're not working as promised.

C. AUSTIN FITTS: In terms of the secrecy, which has been extraordinary, my understanding from your staff is you were allowed to read it, but you weren't allowed to have any staff or experts working for you access it or be able to help you understand it. It's an enormously long, complicated document for one person to read.

MARCY KAPTUR: Yes. It remains top secret. You have to let them know that you are going to try to read it. They have the document in several pieces in a separate room. It's about 1,000 pages long.

I was looking for a particular provision, and I won't say what it was. I now know by being down there that it is not in there, and this particular

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provision was in prior agreement. I believe it's important to the interest of the people of this country. I can't talk about it, and I'm concerned that it is not in this agreement.

It took me a long time to figure that out, and I can't even talk to my constituents about it? This is a really dangerous and irresponsible way to review any agreement that has global implication.

I have introduced a separate bill – a bipartisan bill – along with Duncan Hunter, the lead sponsor of California, to change this so that any agreement of such significance would be publicly available for up to 60 days before we vote on it.

The procedure they want to bring it up under is to say, “Well, first you vote to not allow Congress to amend the agreement, and then we'll let you read it for 60 days.”

So they want to handcuff us in something called ‘Fast-Track’ which is a procedure, and then we'll be able to talk about it but yet we can't amend it. What sense does that make?

C. AUSTIN FITTS: The reason why your proposal is so important is I've had experience with various significant pieces of legislation or regulatory policy, and when you submit them to Sunshine what you discover always is that you made a lot of bad mistakes. It's an organic process, but you end up with something much better.

MARCY KAPTUR: Yes.

C. AUSTIN FITTS: So to just plot this out, you're going to have some terrible, terrible results.

Let's talk a little bit about the process. What happens? Where is this in terms of congressional response, and what happens next?

MARCY KAPTUR: Well, there is heavy lobbying going on right now. You see what the President is doing, and there are private interests that are



approaching individual members who have not declared how they are going to vote on the process by which the bill will be considered, and then the bill itself.

We're being told now that maybe it will come up Thursday of this week, maybe it will come up Friday. What happens in these closing moments is that the entire executive branch and the private interests who negotiated this – with no sunlight for the American people – they now go after certain members.

You saw where I think four members of Congress just went on Air Force One over to Europe with the President. This kind of thing goes on to 'court' votes. Who knows what is being said to others on a one-on-one basis?

We are an institution of 435 members. They have a lot of different interests. The executive branch is very big. It has a lot of power, and it controls a lot of resources directly. We're now going into this heavy lobbying period.

C. AUSTIN FITTS: Who is in the lead as being for this in terms of constituencies? Is it the Chamber? Is it the large corporations? Who is pushing this?

MARCY KAPTUR: I would say that about 500 corporations that do business globally – and I'm for them. I'm for them doing business globally, but it leaves out the American people, the implications of this agreement on the rule of law of this country kind of privatizing litigation on many levels. We don't have a chance publicly to probe and to ask questions. If you read the agreement, as I have, you will see that there is just a lot of room for interpretation.

The members of Congress weren't invited in to help draft the agreement, but very big banks and very big corporations that can play on the international level were – and you know that's a handful and they already have a lot of power.



C. AUSTIN FITTS: We're coming into a Presidential election in 2016. Do you think this is going to be an important campaign issue, particularly after the back and forth about GATT and NAFTA in the last couple of campaigns?

MARCY KAPTUR: Oh, millions of communities, companies, and working families have been hurt by our trade policies. If you poll the American people, they believe that trade restrictions are more important than unfettered free trade because they know it's not a level playing field when you're competing against a state enterprise, let's say in China, or a state-backed enterprise. And a majority oppose giving the executive branch and the President this kind of authority without any restriction.

The American people have caught on because so many have been harmed.

C. AUSTIN FITTS: Yes, I think they know. How do we support you in this? I know I've seen your excellent press release on your position on the Trans-Pacific Partnership. What can a citizen do if they are in your district, or if they are in any district? What do we do?

MARCY KAPTUR: First of all, they should call their member of congress. They could email them or send them a letter or call them directly on the phone – either the House or the Senate – and tell them to oppose Fast-Track which is the procedure by which this will be brought up, and also then opposed the Trans-Pacific Partnership agreement. They could send letters to their local newspaper. They could post and tweet about this on social media. They can tell their family, their friends, and their coworkers to do the same.

If you're connected to an organization, encourage its decision-makers to take a strong public position against the Fast-Track procedure by which Congress is essentially put in lock-down and can't amend, and then against the Trans-Pacific Partnership itself.

C. AUSTIN FITTS: Okay. Well, I'm going to encourage everybody to do it. I think it overrides the constitution, but the idea that our elected



representatives don't have access and their staff don't have access to this with plenty of time to digest is outrageous.

MARCY KAPTUR: Oh, I am subject to criminal prosecution if I talk to you or any of my constituents about anything I've seen or any concern I have about what is in that agreement. What kind of a system does this create?

C. AUSTIN FITTS: Well, it's a system that pumps and dumps the housing markets. So I just want to bring up housing. There are two other issues, and I know you've got to vote and I don't want to keep you.

There are two other issues that I want to bring up, and one is that I just want to compliment you on everything you've done to bring attention to poor policy in the housing area and everything you've done to help your constituencies to deal with the problems in the housing markets and foreclosures. I know you've done a great deal, so I didn't know if you wanted to just mention any of the things you're focused on now in housing, but I really appreciate the attention you've given to that area.

MARCY KAPTUR: Oh, I thank you so much. It's the major source of wealth – housing – for the majority of America's families. The housing crisis for just African-American families wiped out 45% of their accumulated wealth. Can you imagine?

C. AUSTIN FITTS: Yes, I can.

MARCY KAPTUR: For Latino families, for Caucasian families it wiped out a fifth. It's breathtaking what happened.

We have been working very, very hard to allow states like Ohio to use what's called 'Hardest Hit Fund' money to remove blighted structures which are bringing down the value of homes in our region. That was one

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of our latest accomplishments regionally.

Then I'm working on a bill right now – an amendment that didn't pass – to allow more housing to be constructed for our homeless veterans.

C. AUSTIN FITTS: Wonderful!

MARCY KAPTUR: We have about 50,000, and unfortunately that amendment failed on party lines, but I'm going to keep at it.

I also think – and I'll just mention this to you and your listeners – about how to change the accounting of our student loan. You know, the younger generation can't afford to buy a house because a lot of them are paying off student loan. From an accounting standpoint, those streams of repayments come back to the federal government. I've been thinking about how to transform that debt stream into an equity stream.

I've been talking to people at the general accounting office and other places about how to think about changing the term or the interest rate over time and allowing some of those dollars to be accumulated in the form of a down payment – almost like the old turn-key program.

So if you or your listeners have any interest in that...

C. AUSTIN FITTS: I don't suppose there's any possibility of requiring the fed guaranteed ones to mark the interest rate to the interest rate at the fed window so that the low rates that the banks are getting the students get, too. And if you retroactively did it, then that money could then be put in an equity pool for just such a thing.

MARCY KAPTUR: Write me a paragraph on that.

C. AUSTIN FITTS: I will do that.

MARCY KAPTUR: Write me a paragraph because it is staggering how much money is moving in this system today, and it is being paid back to the government of the United States but I almost want to say it's 'dead



money'. It isn't creating any productive wealth in the housing sector; it's still very sluggish.

C. AUSTIN FITTS: Right, and the administration is doing a lot of things. We just did a new post on all the things the administration is doing to support the housing market, but I agree with you. Unless you give relief on student loan you're never going to get this housing market really going.

MARCY KAPTUR: No, and the young people are burdened. What kind of a country would burden its next generation with this kind of debt?

C. AUSTIN FITTS: The only country that would do it is one that wants to destroy its economy. From an economic standpoint, it's suicide.

MARCY KAPTUR: Since World War II housing has always led recovery, but not this time.

C. AUSTIN FITTS: Okay. I will write you a paragraph, but I do have to bring up John Oliver's incredible support of your efforts on poultry farming, and I laugh because this is an issue which – I live in Tennessee – and this issues on poultry farming is very near and dear to our hearts. Every time I bring it up people laugh at me. So I understand what you've been dealing with as you tried to get support for the poultry farmers.

To see John Oliver give you the support you really deserve just had me howling! Maybe you could talk a little bit about poultry farming and why it's so important.

MARCY KAPTUR: First of all, I think John Oliver never talked to me. I didn't know that he was going to write a story about this, but I'm so grateful because I've been working on this for 16 years, and this is the most publicity it's ever gotten.

C. AUSTIN FITTS: Isn't that wonderful!

MARCY KAPTUR: Oh, it's wonderful.



C. AUSTIN FITTS: We're going to make the John Oliver video the movie of the week on The Solari Report on the week that we publish this so that for everybody listening it's right there on the blogpost. You can't miss it, and it's un-missable. You've got to watch it.

MARCY KAPTUR: Thank you. Basically it would allow those who are raising our poultry in our country not to suffer injustices at the hands of a very few companies – about four – who control a majority of the market. They hold all the cards, not even allowing the people who are doing the work and who are financially at risk in this production chain to be able to talk to their members of Congress on such simple things as guaranteeing a fair contract.

These farmers have a right to speak. They have a right to assemble. If they do that and they try to compare prices with their colleagues or they go to a meeting, they are retaliated against. They are either cut off from production or they are given birds that are less healthy.

I couldn't believe it. I've gone out to some of these operations, and both the individuals raising the animals as well as the integrator – the big company – and I see such a disparate standing. They're actually like sharecroppers. They're not independent farmers anymore.

C. AUSTIN FITTS: Right, and they're living below the poverty line.

MARCY KAPTUR: Many of them are, and they assume all the risk and the company doesn't. The risk is assumed by the grower, not the processor. It's a very unfair relationship.

At a minimum they ought to have the ability to speak out on their own behalf. And let me tell you, they are afraid. No American should be afraid.

C. AUSTIN FITTS: Right. I couldn't agree more. To have four companies – and one of the things that the video pointed out is that we're now producing about 160 million chickens a year. For that to be consolidated into a cartel of four companies is absurd. And, of course, one of the



reasons it works is because they're squeezing the farmer.

MARCY KAPTUR: They're squeezing the farmer, and now avian flu is setting in all over the country. It has decimated Minnesota's birds and Iowa's birds, and I just heard on the news this morning that in Macomb County, Michigan – which is getting very close to Ohio, by the way, where we have a huge industry – they've discovered avian flu.

“They're squeezing the farmer, and now avian flu is setting in all over the country.”

So what happens when all these animals die? Who is going to assume the burden of that risk? This is a national problem. I don't know if you've noticed this, but egg prices are going up all over the country. That's because of the devastation in this industry that is occurring.

C. AUSTIN FITTS: Well, it's a very unhealthy situation for the food supply, for the farmers, and for everybody. I really appreciate it because I know how hard it is to get people to talk to you seriously about poultry farming, but it's very, very important.

MARCY KAPTUR: It's a hard and difficult business, and the farmers have a right to speak, to assemble, to dissent their interests without retaliation.

C. AUSTIN FITTS: Well, Congresswoman Kaptur, I know you have a vote to do so I won't hold you any longer. I just want to say that I appreciate everything that you're doing. I think you make an enormous difference. I have no idea how you get the enormous strength intellectually and physically to go back in and do what you do, but thank God you do.

MARCY KAPTUR: I do it for the people I represent and meet in this work. Please mention to your listeners that there is a photo on our website in the social media on the Trans-Pacific Partnership where I went down to the reading room to try to read this agreement and what we had to go through in order to even get in. So trade transparency is very important, and thousands of people have posted comments on social media related to that and on Facebook.



We encourage people to get in the fight with us.

C. AUSTIN FITTS: Okay. Well, we're in the fight with you. Let us know what we can do. We'll get that picture and we'll get it tweeted out. We'll get this all up on our site, and I'll send you a paragraph on my idea on student loans.

MARCY KAPTUR: Thank you so much. Please do.

C. AUSTIN FITTS: You have a great day.

MARCY KAPTUR: You, too. Thank you, Catherine.

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