

spend its local funds on abortion services for low-income women.

I ask the House of Representatives to join me in recognizing the courageous acts of Brian Crawford, Corante Henderson, Moo Ho Bae II, Markus Batchelor, Matt Laurinavicus, and Patrick Kennedy, students at The George Washington University and leaders in the D.C. Statehood Student Association. They exemplify the time-honored tradition of using civil disobedience to combat injustice, and remind us that the District's great struggle for democracy is expanding and will continue until freedom and equality come to the District of Columbia.

IN RECOGNITION OF NATIONAL
TEACHER APPRECIATION WEEK

HON. LAURA RICHARDSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 2012

Ms. RICHARDSON. Mr. Speaker, I rise today to observe National Teacher Appreciation Week and to thank teachers across the nation for their dedication. Teachers touch the lives of so many children throughout their careers and have a unique role in bringing together families and communities to develop our Nation's most valuable resource, our children.

Our former First Lady Eleanor Roosevelt first introduced the idea of a National Teachers' Day in 1953. Mrs. Roosevelt said, "I think, at a child's birth, if a mother could ask a fairy godmother to endow it with the most useful gift, that gift would be curiosity." Thankfully, our children do have such figures in their lives: the teachers who instill curiosity and a love of learning. I think we can all point to a teacher in our past who inspired imagination and a sense of discovery.

As a former preschool teacher, I understand the difficulties teachers face today. With growing class sizes, shrinking budgets, and harsh scrutiny of standardized testing, this important profession has become more challenging than ever, and we must do more to reaffirm our commitment to educators.

Education is the key to our economic success. The quality of our education system affects us as a country and as individuals who provide for ourselves and our families. We cannot remain competitive without an educated and passionate workforce, and supporting our teachers is the wisest investment we can make in our country's future.

Mr. Speaker, I rise today to give a heartfelt thanks to the hardworking teachers of the 37th Congressional District and across the Nation. I encourage students, parents and school officials to participate in the events of National Teacher Appreciation Week.

THE FEDERAL RESERVE AND THE
1%

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 2012

Mr. KUCINICH. Mr. Speaker, an op-ed in the April 19, 2012 Wall Street Journal by Mark Spitznagel explains how the Federal Reserve's monetary easing program, in place since the financial crisis of 2008, has continued the massive transfer of wealth from the Middle Class directly to the richest.

[From the Wall Street Journal, Apr. 19, 2012]

HOW THE FED FAVORS THE 1%

(By Mark Spitznagel)

A major issue in this year's presidential campaign is the growing disparity between rich and poor, the 1% versus the 99%. While the president's solutions differ from those of his likely Republican opponent, they both ignore a principal source of this growing disparity.

The source is not runaway entrepreneurial capitalism, which rewards those who best serve the consumer in product and price. (Would we really want it any other way?) There is another force that has turned a natural divide into a chasm: the Federal Reserve. The relentless expansion of credit by the Fed creates artificial disparities based on political privilege and economic power.

David Hume, the 18th-century Scottish philosopher, pointed out that when money is inserted into the economy (from a government printing press or, as in Hume's time, the importation of gold and silver), it is not distributed evenly but "confined to the coffers of a few persons, who immediately seek to employ it to advantage."

In the 20th century, the economists of the Austrian school built upon this fact as their central monetary tenet. Ludwig von Mises and his students demonstrated how an increase in money supply is beneficial to those who get it first and is detrimental to those who get it last. Monetary inflation is a process, not a static effect. To think of it only in terms of aggregate price levels (which is all Fed Chairman Ben Bernanke seems capable of) is to ignore this pernicious process and the imbalance and economic dislocation that it creates.

As Mises protégé Murray Rothbard explained, monetary inflation is akin to counterfeiting, which necessitates that some benefit and others don't. After all, if everyone counterfeited in proportion to their wealth, there would be no real economic benefit to anyone. Similarly, the expansion of credit is uneven in the economy, which results in wealth redistribution. To borrow a visual from another Mises student, Friedrich von Hayek, the Fed's money creation does not flow evenly like water into a tank, but rather oozes like honey into a saucer, dolloping one area first and only then very slowly dribbling to the rest. The Fed doesn't expand the money supply by uniformly dropping cash from helicopters over the hapless masses. Rather, it directs capital transfers to the largest banks (whether by overpaying them for their financial assets or by lending to them on the cheap), minimizes their borrowing costs, and lowers their reserve requirements. All of these actions result in immediate handouts to the financial elite first, with the hope that they will subsequently unleash this fresh capital onto the

unsuspecting markets, raising demand and prices wherever they do.

The Fed, having gone on an unprecedented credit expansion spree, has benefited the recipients who were first in line at the trough: banks (imagine borrowing for free and then buying up assets that you know the Fed is aggressively buying with you) and those favored entities and individuals deemed most creditworthy. Flush with capital, these recipients have proceeded to bid up the prices of assets and resources, while everyone else has watched their purchasing power decline.

At some point, of course, the honey flow stops—but not before much malinvestment. Such malinvestment is precisely what we saw in the historic 1990s equity and subsequent real-estate bubbles (and what we're likely seeing again today in overheated credit and equity markets), culminating in painful liquidation. The Fed is transferring immense wealth from the middle class to the most affluent, from the least privileged to the most privileged. This coercive redistribution has been a far more egregious source of disparity than the president's presumption of tax unfairness (if there is anything unfair about approximately half of a population paying zero income taxes) or deregulation.

Pitting economic classes against each other is a divisive tactic that benefits no one. Yet if there is any upside, it is perhaps a closer examination of the true causes of the problem. Before we start down the path of arguing about the merits of redistributing wealth to benefit the many, why not first stop redistributing it to the most privileged?

HONORING MEDAL OF HONOR
RECIPIENTS

HON. MAC THORNBERRY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 7, 2012

Mr. THORNBERRY. Mr. Speaker, today I wish to recognize the thirteen Medal of Honor recipients who trained in Mineral Wells, Texas, at Camp Wolters during World War II and at Fort Wolters during the Vietnam War. On March 23, 2012, the Fort Wolters Gate Committee joined with the citizens of Mineral Wells to honor these brave men with two ceremonies on Medal of Honor Day.

These thirteen outstanding individuals are First Lieutenant Eli L. Whiteley, First Lieutenant James M. Sprayberry, First Lieutenant Charles L. Thomas, First Lieutenant Vernon Baker, First Lieutenant Jack L. Knight, Second Lieutenant Audie L. Murphy, Staff Sergeant Edward A. Carter, Jr., Chief Warrant Officer Michael J. Novosel, Chief Warrant Officer Frederick Edgar Ferguson, Captain Ed Freeman, Captain Jon E. Swanson, Major Patrick H. Brady, and Major William E. Adams.

The Medal of Honor is our nation's highest military honor that can be bestowed upon an individual service member by the United States government. It is given to men and women of the Armed Forces who set themselves apart through their uncommon courage, selflessness, and valor which goes above and beyond the call of duty. The recipients of this prestigious award are not only leaders among those with whom they serve, they are also the role models to whom future generations of Americans will always look. I am honored to