

in each other; Faith in our united crusade. Let not the keenness of our spirit ever be dulled. Let not the impacts of temporary events, of temporal matters of but fleeting moment let not these deter us in our unconquerable purpose.

“With Thy blessing, we shall prevail over the unholy forces of our enemy. Help us to conquer the apostles of greed and racial arrogancies. Lead us to the saving of our country, and with our sister Nations into a world unity that will spell a sure peace, a peace invulnerable to the schemings of unworthy men. And a peace that will let all of men live in freedom, reaping the just rewards of their honest toil.

“Thy will be done, Almighty God.

“Amen.”

That, of course, was the prayer of Franklin Delano Roosevelt as our men embarked upon D Day. This prayer, I wonder if it could be said today by the leader of this country. I wonder if the President of the United States would have the courage to start off a prayer asking for the Lord to help protect our religion, our civilization, our Republic, and to set free a suffering humanity. Would we add the words “our civilization,” “our religion”? Could we? Do they mean anything? What do they describe today to anyone? Or are we too afraid to mention this for fear that it will be perceived by someone as narrow-minded?

And so, therefore, we do not discuss who we are or at least who we were. But just as dangerous an event as D Day was and just as much as we needed prayer to protect the men who were going across that channel, we find ourselves in a world that's equally dangerous. We find ourselves daily facing events that challenge us in so many ways and are as dangerous and as threatening to our very existence as was the threat posed by Nazi Germany and the Empire of Japan.

They come from a different source, those threats. They are not identifiable as a single nation. It makes it harder for us to deal with it. But we as a country must do so.

And this is my parting thought for this Congress, for this Nation. Pray for the same thing that Franklin Delano Roosevelt prayed for: strength, courage to defeat an enemy that has every intention of defeating us and destroying Western civilization. Do not walk quietly into the night of a dark age. Know who we are. Know who the enemy is. Hold up this Nation's flag. Take back our country.

VACATING 5-MINUTE SPECIAL ORDER

The SPEAKER pro tempore. Without objection, the 5-minute Special Order of the gentleman from New Jersey (Mr. GARRETT) is vacated.

There was no objection.

CURRENT FINANCIAL SITUATION OF THE UNITED STATES

The SPEAKER pro tempore. Under the Speaker's announced policy of Jan-

uary 18, 2007, the gentleman from New Jersey (Mr. GARRETT) is recognized for 60 minutes.

Mr. GARRETT of New Jersey. Mr. Speaker, we come to the floor tonight to speak about an issue that has eclipsed all other issues, that has been in the media and on the public's minds of recent date, and that, of course, is the financial situation that the United States currently finds itself in.

As we go through this evening, we will talk about deals or no deals, the underlying fundamental problems that the situation has brought us to this point, who and how we got here, what was the makeup of the market and the Fed and the Treasury that may have helped to facilitate the problems that we face today.

□ 2130

And, finally, what are some of the solutions that are potentially out there that can move us from where we are today to a more stronger and safe economy?

I'll just start for a moment, before I yield to some of my colleagues who have joined me, to suggest to the American public that tonight they should be concerned, not just about what is occurring on Wall Street, but what is occurring right here in Washington, D.C. as well.

With regard to the situation on Wall Street, although as difficult as it may be, I have, deep down inside of me, the utmost faith in the American people and the American worker and the American businessman that, when faced with this challenge, that they will be able to overcome it and to strive and make a stronger economy tomorrow that will be beneficial for our farmers, for our families, for our manufacturers, for our economy throughout the United States.

And yes, there may be some need, as we will discuss, for the intervention by Washington, but the reason why I say that the American citizen should be concerned tonight—not so much about Wall Street, but about Washington—is what may come out in the form of legislation tonight—or in the next day or the day after that. Because, you see, we are being asked to sort of rush through this process, where as normally we would come to this body and maybe spend hours upon hours debating whether we should spend a million dollars on this bridge over in this State or a million dollars in this program in that State.

And we will go through committee hearings and markups and subcommittees and the like and then finally get to the floor of the House and pass it here. And then it will go over to the Senate, and it will go through the same arduous process of subcommittees and full committees and markups, and then to the Senate floor, where they will have debate on it infinitum. And maybe even then we'll go to conference committee and come back here to the House where we will have to discuss

the issue all over again. And that may be only for a matter of only a million dollars or two.

But what we are talking about here is potentially spending \$700 billion, and we're being asked to basically decide that issue in a matter of hours. Mind you, we may, hopefully—as the optimist as I always am—get just the right answer. But the reason I say the American citizen should be warned is that history does not indicate that. And many times, in the rush to judgment, when we are pushed to make a decision at the end of the day, at the end of the week, at the end of a session when a crisis is looming over our heads, we are sometimes pushed in the wrong direction.

And I would also ask the American citizen to consider this; you know, the overwhelming calls to our offices I think across the board, across both Democrats and Republicans as well, would say that they have been opposed to spending \$700 billion of the American taxpayers' dollars to bail out, if you will, Wall Street. I would just advise the American public, as a plan finally does come through the process and is passed through this House and the Senate, I would advise them to look over it very, very carefully when they are told that this is not the same Paulson proposal, that the American taxpayer is not going to be on the hook. I don't know what that proposal will be—as negotiations are going on literally as we speak—but look at it very carefully to see that the proverbial wool is not being pulled over all of our eyes, and that we ultimately, and our future generations, our children and our grandchildren, will be held responsible for paying the debt. I hope that's not the case.

I remain optimistic that we can work out a solution. And the House Republicans have actually proposed such a solution that would not put the American taxpayer on the hook. And we are willing to work with our Democrat colleagues across the aisle to make any changes or additions or alterations to that so that it can be palatable to all parties in both Houses to get through the process, but let's see how the final end result is.

And with that, I yield as much time as he may consume to the gentleman from Texas (Mr. GOHMERT).

Mr. GOHMERT. I appreciate my friend, Mr. GARRETT's, comments. I heard him earlier tonight on Fox Business News. That's the first I had seen that channel, and it was quite good. Perhaps if they had been on the air longer, maybe we wouldn't be in this problem, people would be watching that.

But I heard one lady comment that there is an adage that “Europe was formed by history and the United States was formed by philosophy.” And there really is something to that. We were founded on the basis of people coming together. And of course at the Constitutional Convention they

couldn't come up with a constitution, the Articles of Confederation had all fallen apart, no common currency, it just didn't work, too loose of a web. And so they came together 4 years later, 1787, in the Constitutional Convention, and for merely 5 weeks couldn't agree on anything. And that's when the very elderly Benjamin Franklin gave his speech, that during the war in the early days, they never let a day go by without prayer, and they saw prayer answered. And so he made the motion that they begin each day with prayer, and that began. And now, all of a sudden we're able to come together with all these different philosophers through the ages and come up with what was the Constitution. Amazing.

But they had seen the New Testament practice early in the church, when they had everybody bring everything into a common storehouse and gave out equally. And that eventually results, as it always has to, when people see someone else is not working as hard as they are and they're getting an equal share, then they quit working and everything falls apart. That led to the Apostle Paul coming around and saying, If you don't work, you don't eat. At Jamestown, we saw where the pilgrims tried the same thing. And then we saw in the Soviet Union—and you've got to give it to the Soviet Union, they made it 70 years under that premise, that you could bring everything into a common storehouse and give out equally, and they made it 70 years. That's got to be a record for that.

But here, they're wanting to take this government in the biggest socialist step in the history of the western hemisphere, \$700 billion; and we're supposed to be comforted because our government may be able to make a profit on the taxpayers' money. The trouble is, government never makes the kind of profit that individuals could, and the government is not supposed to be in the business of making a profit. That is free enterprise. That's what we were founded on.

And, you know, I heard this quote years ago, I don't remember who said it, if they were quoting someone else, but especially since I've been in Congress I've found it to be true. And it may very well be true in this situation, it sure seems to be, because we've got people on Wall Street who are screaming, you have got to come in with this infusion of \$700 billion of taxpayer money to bail out the banks. What is that going to do? As I understand it, it's going to buy mortgage-based securities—at a rate above where they may even be marked down to—and save those people that have stock in that bank, the officers that got them in that trouble, and that will keep their stock from being worthless. And the quote that I was alluding to is this, "Hell hath no fury like a vested interest masquerading as a moral principle." And boy, have we been hearing that. "You can't let the country fall."

"You can't let this panic ensue." We were told Friday, a week ago, 8 days ago, if we didn't have a deal by Monday, then the banks were going to start falling and it would be a domino and we would never get it back. It didn't happen. Some of us wanted to be more cautious.

But anyway, as I heard the gentleman say earlier, if the majority, if the Speaker wants to pass a bill, she sure doesn't need us. And I heard Madam Speaker say just earlier today on the news that it was very unpatriotic for the Republicans not rushing in sooner to be part of this \$700 billion bailout discussion. And that was really striking because they didn't ask for our input when they ran in here and crammed down a non-energy energy bill that didn't allow any amendments. They didn't need our votes. They were going to cram it down the Nation's throat and tell them we gave them energy when there was not a drop of energy ever going to come from it. And then shortly thereafter the majority leader said, oh, one of the first orders of business, we'll put the moratorium back. So they don't need us, really, to pass a bill.

And another thing that I haven't heard talked about in these mortgage-based securities is actually who those are. Now, at one end—and people don't want to talk about this—but at one end you've got people who thought if they could run in, get a no-money-down mortgage on a house that was a lot more than they could afford—when it was \$1 million or \$2 million or half a million—more than they could afford and they could hold it for a year, they could turn it, double their money, they never had to make a payment, and wow, they just doubled the value of the home and then came away with all this cash. When the house didn't double, then they had been in the house for a year and hadn't made a payment, didn't pay anything down—as the saying goes, "no skin in the game"—and now we're supposed to bail them out? That's at one end.

In the middle, we have people who were really legitimately hurt, and not so much of their own accord. They knew what kind of house they wanted to look at. They were talked into, by bankers or realtors that shouldn't have, into buying more than they could afford. They got a mortgage that they really couldn't afford, thinking the house would greatly be enhanced in value and they would come out ahead. And they're truly suffering, and my heart goes out to them.

Then the other thing—and I haven't heard anybody talk about it on the floor here—but as it turns out, there are apparently a lot of illegal aliens who got mortgages. Because I know I had seen Bank of America advertising that they wanted to help the aliens, and under certain circumstances, gosh, we can get you a mortgage. So we're going to bail out mortgages for illegal aliens.

Let me tell you, back in the eighties, when the FDIC and RTC had taken over so many banks, what we saw was people come in and say, you know, I've been making my payment every month, and I'd like to negotiate a better deal. And they were told, well, heck no, you keep making your payments. I mean, I did outside counsel work for the RTC and FDIC. You would have some people come in later and say, okay, you wouldn't work with me before when I was making my payment every month, now I haven't paid for 6 months and they say, okay, now we'll work with you. We're sending the wrong message. And it is so critical that we not come out of this Chamber with a bill that hurts the America that we know and love so much.

There have to be consequences. And it troubles me much that the administration, the Secretary Treasurer has been forecasting this gloom and doom; "there's going to be widespread panic." "If Washington Mutual goes down it will be a domino and we will not stop the depression." Normally, it's the administration saying, nobody panic, we're going to get through this, this will all be okay, just stay with us, let's have faith in each other. And instead, all we're hearing is "you've got to do something immediately or it's all going to fall apart."

Well, it seems like, if you allow me to borrow from Kipling's poem and paraphrase a little bit, if you can keep your head while all those about you are losing theirs, you're probably the reason they're losing theirs. And that's what we seem to be seeing around here.

I appreciate the time and Mr. GARRETT yielding. And I will yield back.

Mr. GARRETT of New Jersey. I thank the gentleman. And hopefully, Members on both sides of the aisle will be keeping their heads as we go through the debate and the seeking of a deal on this, and a deal that, at the end of the day, is a benefit to the taxpayers of this country.

While we try to seek out that debate and try to seek out the solution, one axiom that we should probably go by is "Do not go back to the same people who brought you this problem in the first place." And I will speak on that in a little more detail to take a look at who it was actually that brought us to this problem. I know some people are pointing their fingers exclusively at Wall Street on this, and clearly they have some blame to lay there because, for various reasons, executives and otherwise made truly imprudent decision making, maybe it's in part because they really did not have the information on hand, maybe it's because of lawsuits in the pasts when analysts were pushed out of the Wall Street, out of the cell side of the equation, or maybe it's because with all the Ph.D.s and what have you brought in and brought in all the new modeling on Wall Street and what have you, that made it almost impossible for the CEOs

of these investment firms and otherwise to really know what it was exactly that they were buying down below.

Whatever the excuse, whatever the reason, there is some blame to be laid at Wall Street, to be clear, but we also have to look to see where some of that blame lays here in Washington, D.C. And that's why I said, do not return to those who brought us here.

And if you want to look to a place where you can get a little bit of information about how we got here, as we're all done here listening to this program right now, our speakers here on the floor, I went to a place earlier today—or somebody sent this to me as an e-mail, and it was an e-mail for a YouTube site, and it's called "Burning Down the House." And it's a 9½ minute YouTube presentation done with music and what have you that gives you a nutshell explanation of exactly how did we get to where we are in the first place.

□ 2145

So I recommend people to go to YouTube's "Burning Down the House" and they will be educated on it.

But right now we're going to be additionally educated by the young lady from Minnesota.

I yield such time as she may consume to Mrs. BACHMANN.

Mrs. BACHMANN. I want to thank the gentleman from New Jersey for his leadership on this issue, which is perhaps the most important vote that Members will take during their entire congressional career. I know for me, this is my first term in Congress. This is the pivotal vote that I will be taking. And my heart has been breaking. I have been despairing over this vote that is coming before us not because I am afraid to take the vote but because I am despairing over what could be the outcome because I grieve over the fact that we may reject, for the first time in the history of our country, in a wholesale manner, free markets, free answers and free capitalism.

And what that means is freedom. And there is nothing more important in this country than freedom. It's why a mom would put her 5-year-old in an inner tube in Havana and brave the shark-infested waters for 90 miles to get to Florida so that she could see her son enjoy something she never knew. And that is a concept called "freedom."

And what does that have to do with the bailout? It has everything to do with the bailout because what this bailout represents is the wholesale leap downward towards socialism, towards saying that we can never have failure again. Nobody can ever have a bad day. Congress has to jump in and make it right every time, because government has to take up risk and back up everybody's risk.

I wrote something earlier this week that I would like to share in the course of my remarks this evening. When Bear

Stearns hit bottom in March of this year in 2008, the credit crisis claimed the first big Wall Street victim. Treasury Secretary Hank Paulson said, we had to bail out this bleeding financial giant at the cost to the taxpayers of \$29 billion. Even for Washington that is a lot of money. Secretary Paulson said that would stabilize the markets. But it didn't.

Next, Treasury Paulson said that we had to bail out mortgage giants Fannie Mae and Freddie Mac. All roads in this big fat mess go through Fannie Mae and Freddie Mac. It is a monster of ugly proportions created by the government. That should be our first lesson. Government should never create a private business. But it created this private monstrosity and then decided it would back up with a wink and a nod any risky, hare-brained loan or mortgage-backed security that Fannie and Freddie came up with.

The starting price of that bailout was \$200 billion and climbing. And that is on top of \$300 billion that was passed by Congress only a month or so earlier in another massive housing bailout bill. We were told then that this would surely calm the markets. But it didn't.

Treasury Secretary Paulson and Federal Reserve Chair Ben Bernanke then siphoned \$85 billion from taxpayer coffers to save another private company known as AIG from bankruptcy, and again with the stated purpose of stabilizing the markets. Did it do the trick this time? No. Things appear only to have gotten worse.

More than \$600 billion into these market-calming bailouts, the market turmoil has only ramped up. And it's continuing. In fact, it has now grown to such an incredible crescendo that here we are tonight, and the Treasury Secretary and the Federal Reserve Chair has told Congress, in no uncertain terms by the way, that we must spend another \$700 billion in taxpayer funds. We are told we must do this now, without delay, without deliberation, as Congressman GARRETT has said, without answers to most of our questions.

This would bring the bailout tally to well over \$1 trillion, now that is real money, even for Washington, approaching half the size of America's entire budget.

In other words, every American who has played it safe and has played it smart to avoid being in debt is now being asked to spend the rest of his or her life paying off the debts of Washington and the debts of some miscreants on Wall Street. We are well on our way to privatizing profit but socializing risk. And we are well on our way to eliminating moral hazard from economics altogether. This is antithetical not only to the free-market basis of the United States economy, but also to the rich heritage of liberty, that is called freedom, that we've long enjoyed. It runs counter to the American Dream, to what we hold dear, unless you're a fat cat that is rolling the dice

with taxpayers' money. Then who cares?

American taxpayers are chumps here in this equation because American taxpayers are being asked to clean up a mess that the American taxpayer didn't create. Congress must not rush to judgment on this matter. We can't do that. It's a complicated issue. That is true. This isn't easy for any of us to sort out. All Members of Congress, I think, are going through a crash course in a Ph.D. in high finance all within less than 1 week's time. And the consequences could threaten generations with lack of prosperity.

We can't just stick a \$1 trillion Band-aid on that problem. We don't have that kind of money in our back pocket, because after all, when Uncle Sam opens his cash box this week, there are no greenbacks in there. There are only feathers flying out that cash box.

We have to examine the root causes of this problem. And we have to seek to address the core issues. It's real simple. Government got involved where it shouldn't get involved. We spent more money than what we had. It's not too tough to figure out. Otherwise it's only a matter of time before we find ourselves right back where we were.

The recklessness of government is the primary culprit here. Once again, just like on energy, it is Congress that created this problem. For years Congress has been pushing banks to make risky subprime loans. You heard me right. It wasn't the lenders on their own. Congress passed laws that said we're going to fine you and we're going to file lawsuits against you lenders if you don't make risky loans. And using the authority of the Community Reinvestment Act, the big push for subprime mortgages began in earnest during the Clinton administration. Republicans aren't completely lily-white here with hands. The Clinton administration however ramped this up. And banks that didn't play ball were subjected to serious fines and lawsuits, and regulatory obstacles were placed in their way.

Expanding access to the American Dream is a worthy goal. We all agree with that. But by blindly pursuing that goal and allowing the end to justify means, we put millions of Americans today at financial risk. Although we question what that risk might be.

Because many of these home loans are backed by mammoth government-sponsored enterprises, Fannie Mae and the Freddie Mac, kind of like your weird uncle and weird aunt, Wall Street was more than happy to trade on these egregious loans. The assumption, which was proven right, was that Uncle Sam would guarantee them. Fannie and Freddie quickly grew too big. And all calls to regulate them, made even in fact by this administration, more closely to reform their structures were ignored, ignored I would say by the current Chair of the House Financial Services Committee of which I'm privileged to serve on.

In fact, leaders in Congress such as Representative BARNEY FRANK, chairman of the House Financial Services Committee, resisted reforming Fannie and Freddie at every turn. When former Treasury Secretary John Snow pleaded before Chairman FRANK before his committee for Fannie and Freddie reform, the chairman responded, "Fannie Mae and Freddie Mac are not in a crisis. I think we see entities that are fundamentally sound financially." O, that BARNEY FRANK were right. But Treasury Secretary Snow was right.

And millions of homes and a mountain of wealth were built on a foundation of sand. And when the housing bubble burst, it all began to collapse. And suddenly, the homeowners who took out loans that they couldn't afford had homes that were worth less than when they bought them. And stalwart financial giants were left holding on to billions in securities that they just couldn't cash, what are called "illiquid assets" that you read about in your morning paper. And without liquidity and without the free flow of credit, the market ground to a halt, and companies began to buckle.

Endless government bailouts will not prevent this crisis from repeating itself. We need to remember that. It will further cement the precedent that got us here in the first place. There are other options to bringing much-needed liquidity to the market, including infusing the market with new capital by suspending the business tax and the capital gains tax.

Also Fannie Mae and Freddie Mac need to be dismantled and quick. Now that the implicit taxpayer guarantee that they enjoyed for years has been made permanent, we have to make a clean break with them.

Accounting that artificially devalued securities and other assets could be temporarily suspended. And before Congress jumps to a full trillion dollar plus bailout, it should explore these and other market reforms. Congress should look for the best way to provide the greatest stabilization in the markets with the least taxpayer exposure.

And that is where House Republicans come in. We do not want the American taxpayer to bail out this \$700 billion tab. It isn't about Wall Street. It's about this street, Washington, D.C. The Congress created this problem. For 2 years, the Democrat-controlled Congress, while this head of steam has been building, has failed to dismantle Freddie and Fannie. They have failed to dismantle the Community Reinvestment Act.

But the real issue here is the forgotten man. That is the issue. It's the forgotten man. It's the poor, beleaguered American taxpayer. Who is going to be left to bail him out?

Mr. GARRETT of New Jersey. I thank the gentlelady for your comments. And your opening comments were quite instructive.

You say we have a problem today. That we all agree on. But we should

not be moving forward expeditiously without all the evidence before us so we can make the right decision. It was just the other day that during the course of this week I was in contact with a notable economist who made that point to me as well, that we should have all the data before us so that we can make a correct determination as to what is the right reform in Washington to address the problem on Wall Street. And he referred me to some data. And the data is not mine. It is not his. It is published data from the Federal Reserve. I will just spend 30 seconds on it to put it in perspective. We do know we have a problem. If you talk to most people on Wall Street, they will tell you there is a problem in the credit markets.

You have to put things in perspective with respect to where we stood before. If you look at commercial and industrial loans, seasonally adjusted, it goes from July of last year to September of this year, and you will see that leading into this week, actually commercial and industrial loans were at historic highs. And yes, on the other end of the chart it just begins to tip down, the chart shows it goes down just a little bit. And the latest data we have is from I think just 1 week ago. The next data for this week will be coming out.

It's probably telling that we can't get this information, quite honestly. I believe maybe only the Federal Reserve may have this information. But for Congress really to act intelligently, it needs information like this. This is why I threw the chart up, because the gentlelady from Minnesota said we should have information.

Here is another chart. And I will end on this because charts are hard to follow here. This is commercial paper here of nonfinancial companies, again seasonally adjusted, again from the same time frame, July of last year to September of this year. And you will see where we are, on average at the 190 level, we were peaking just going into this. Now it went down. But you see those spikes going down all the time.

On the very end of the chart, pointing over here, there is a little bit of an uptick. I can't tell you what the actual data is conclusively, whether that little uptick then goes up. I doubt it. It probably begins to spike downwards again. It is that sort of information that we would like to have specifically before us so we are not relying on anecdotal evidence. And I don't discount that, or the phone calls we receive from the street or the articles that we receive as well. We do know there is a problem out there.

I'm just pointing out, as the gentlelady from Minnesota has said, it would be a lot more beneficial before we start spending \$700 billion, or for that matter even \$100 billion. Because we may see a so-called "compromise" piece of legislation come out that says, American taxpayer, don't worry. We're not going to spend \$700 billion to bail out Wall Street. We are only going to

spend \$100 billion. And now you should thank Washington for only spending \$100 billion. So come on board with that. Some of us still have a problem with spending \$100 billion on a problem that is part Wall Street's but also part Washington's.

If it were ever to again regain credibility with the American people, Congress really has to address a fundamental problem and a fundamental question, and that is to answer to the American public how come it was that for so many years, when the evidence, true evidence, data evidence, coming into Congress was showing us that this housing growth model could not sustain itself, why Congress did not pass legislation to rein it in, to reform the system, and to put into checks and balances in the past?

Well again we can go into the details why Congress didn't do that. But to get the credibility back before we move forward on new legislation involving tens or hundreds of billions of dollars, we need to answer that question.

□ 2200

With that, I would like to yield the floor to the gentleman from Michigan.

Mr. MCCOTTER. I thank the gentleman from New Jersey for yielding. I also wish to take this moment to thank him for his strength of character and his depth of intellect and leadership on this issue.

It has been said if you don't know where you are going, any road will take you there. Unfortunately, we find ourselves in such a situation, as America finds itself amidst a potential economic meltdown of its financial sector.

Right now, the U.S. Congress is being asked to vote upon the Paulson-Bush-Obama-McConnell-Pelosi-Reid plan. I myself will be up front and say I think it is a disastrous policy that House Republicans should continue to resist. What we are asking Americans to do, quite simply, is to send money to the very people who caused this problem and expect them to fix it.

If I can put this in the simplest terms that even I could understand, we have a liquidity crisis in our financial markets. That means that private investors are standing on the sidelines. They do not want to put their money into purchasing toxic assets. What they are now doing is asking Congress to put your money into purchasing toxic assets, and, if you do not, then these private investors have promised to wreak havoc upon your personal savings, upon your credit ratings, upon your financial existence. And for what sin? For not giving them \$700 billion to fix the problem that they caused.

House Republicans have stood against this. We have consistently tried to keep ahead of the crisis atmosphere, and we have succeeded. What we instead offered is a responsible position that protects the taxpayers, that puts private recapitalization first, so that Wall Street can bail itself out of its mess before going to the taxpayers, and

putting an appropriate backstop in place.

Now, we have been reviled for our principled opposition to what we believe is an extortion of taxpayers' precious resources. For this we have been condemned in the liberal media. For this we have been condemned by the majority Democratic Party in this House. We have been condemned by the Democratic majority in the Senate. We have been condemned by our own Republican President and his Secretary of the Treasury and the Federal Reserve Board Chairman.

In fact, I think we have recently reached the height of the disapprobation heaped upon us when earlier the Speaker of the House, in response to our refusal to spend \$700 billion of taxpayer money on this problem, we were labeled "unpatriotic." I suppose this should not surprise us the least bit. We had earlier heard from the Democratic vice presidential nominee, Senator BIDEN, that Republicans, because we would not raise your taxes, were also unpatriotic.

Now, there has been some debate whether there is a new Democratic Party in America. If I may link these two statements to disprove that notion, according to Senator BIDEN and Speaker PELOSI, if you do not support raising the American people's taxes and spending \$700 billion of it on Wall Street, you are unpatriotic.

I disagree with this assessment, and I trust that the American people do. In fact, in many ways it tends to point out the politics that are being played here. The reality is, as has been shown so often in the past, the Republican Party in Congress is the minority party. In the House of Representatives especially, the minority has acute pangs, because we do not have the power to obstruct a single thing the majority wants to get done. Let me draw a quick comparison.

When we were debating increasing American energy production to help our constituents and ease their pain at the pump by increasing supply, we were denied a bipartisan vote on an all-of-the-above energy strategy. Today, in the debate to bail out Wall Street, we see the Speaker demanding a bipartisan vote to bail them out.

The dichotomy proves the point that if this Democratic majority truly believes, as does their Speaker and Senator OBAMA and others, in President Bush's plan, yes, I know that sounds dysfunctional, but these are the times in which we live, they would then take it upon themselves to do one of two things: They would run us over; or instead they would choose the prudent course, to work with us.

Today they are beginning to show signs they may work with us. But, unfortunately, the political games continue. We continue to hear now, in addition to being unpatriotic and obstructive, which is impossible as the minority party in the House, we continue to hear that if we resist an arbitrary

Sunday midnight deadline, we, who cannot stop this bill from being passed, are going to cause the meltdown of the American and the global economy.

We instead as House Republicans are going to do what you sent us here to do, which is guard your money with which you have entrusted us. What we are going to do is reject arbitrary deadlines, for two very critical reasons important to the American people.

One is we will have no rush to misjudgment, whereby a bad bill is passed for the sake of meeting an artificial deadline that winds up being either passed into law or being forced into a no vote defeat in this House, the result of which could be the very economic meltdown we are trying to prevent.

The other alternative is if prudent consultation with Republicans and Democrats continue and we pass the arbitrary deadline, if investors' expectations are raised improperly and irresponsibly, if we do the right thing and take a prudent course with this legislation towards a pro-taxpayer outcome, the economic meltdown may still occur.

This is why House Republicans refuse to put a deadline on these economic negotiations, which are of critical interest to the American people, the same way we opposed putting artificial deadlines on our troops in Iraq. One is dedicated to preserving the prosperity of the American people, just as the other was dedicated to preserving the liberty of the American people by expanding it to the Iraqis.

We have failed to do so in the past in our negotiations with the Democratic Party to make it clear that we have learned our lesson. We will not legislate defeat, either of our troops or of the American taxpayer, and we will continue to stand strong in their defense.

Why is this critically important? If one looks at the lessons of history, we see critical times where decisions are made that affect future generations. This is such a time.

This is the first economic panic of the global economy. The precedent that we set as your servants in Congress will be followed for decades to come. If we are rushed into this by a market bent upon getting their billions from taxpayers, we will set a precedent that we will rue. If we take our time and have prudent, responsible progress towards a pro-taxpayer result, such as embodied in the Cantor-Ryan plan, we will have done our job, not only for the crisis of the present, but for future generations to come.

This is why today I say I have never been more proud to be a House Republican, because in many ways the more you are reviled for not abandoning the hard-working, responsible American people, for not abrogating their trust in you to protect their tax dollars and their futures, we wear it as a badge of honor, because that is precisely what we were elected to do as the party of Lincoln, as the party of Reagan.

And I have a history lesson as I conclude for the party of Andrew Jackson. Andrew Jackson stood tall for the working people of America in the face of every rich special interest that this Nation had. When they demanded a Bank of the United States and got a servile Congress to pass it for them, he vetoed it, not once but twice, because he knew that the best way America could grow was from families, communities and neighborhoods, not from a centralized Bank of the United States.

Today we face a centralized shadow bank of the United States on Wall Street, and this is precisely the forces that we are standing up to for the responsible, hard-working people of America. And when Andrew Jackson for the second time vetoed a charter for the Bank of the United States, he said something that I would ask every Democrat in this Chamber to remember: "There are no necessary evils in government."

So that when this Democratic majority brings a bill to the floor, make sure that you believe in it; because if you do not believe in it and you do not vote for it, or you do, do not go home and tell your constituents that this was a necessary evil to get through this time. And we as Republicans on our part will always remember the words of Ralph Waldo Emerson: "If one man plant himself upon his convictions and then abide, the whole huge world will come around to him."

We will stand our ground, backed by principle and the American people, and we will do our duty.

I yield back to the gentleman from New Jersey.

Mr. GARRETT of New Jersey. I thank the gentleman. We hopefully will learn from our history that there are no necessary evils in government. And it may well be if the unfortunate compromise comes about, that that is the arguments that will be made by those who propose that, that you just have to suffer a little bit in government expenditures on that; that is a necessary evil.

That is when the actual question will come about probably, is when is \$700 billion not \$700 billion. And the answer that may well be given, well, it is not \$700 billion when we pay it out over time; \$100 billion this month, \$150 billion a couple months from now, \$150 billion in January, \$200 billion after that; and as the numbers go up, eventually to \$700 billion, and maybe even more. Because that is where we stand right now with the administration and the Democrat majority essentially having originally said that there was a deal, and that means the Democrats having signed on to or basically accepted the outline of the original Paulson plan, the Bush administration plan, saying we should spend \$700 billion. Anything less than that from their perspective, which we don't just do it at one time but do it over time, to the American taxpayer should be seen as the exact same thing.

That is why I said in my opening comments, don't let anyone pull the proverbial wool over your eyes by saying we have ratcheted this down somehow by making a compromise that they are going to spend it in a different manner, because to you and I it is the same thing. Also to our children and our children's children, it will be the same thing, inasmuch as the devastating impact it will have on future economies with regard to inflation, inflation, one of the most onerous taxes of all, as it steals from us without us even seeing it, as the value of our dollar goes down and down and down as the American government prints more and more money to do a bailout.

With that, once again I am pleased to be joined now by another leader on this issue, the gentlewoman from North Carolina (Ms. FOXX).

Ms. FOXX. I want to thank Mr. GARRETT, my colleague from New Jersey, and say that I am happy to come and join him and my other colleagues in this. I wish I were as eloquent as they have been tonight, because they have certainly described the situation we face in very, very eloquent terms.

I would put it in some very plain terms, I believe. We can act in haste and repent at leisure. That is something I think the American people understand as well as they have understood the wonderful things said here.

We have been told again that we must act immediately or, as Speaker PELOSI has said, we are being unpatriotic. I don't believe that. I think we are being patriotic by taking our time and holding the Speaker to the promises she made in 2006: All bills would go through regular order, go through committee, come to the floor, be allowed to be amended. It would be the most bipartisan Congress ever in the history of the Congress. We have not seen that, and the taxpayers of this country deserve that.

I want to say also again, this is not a failure of our markets. It is a failure of our government, as has been said over and over and over again.

As Congresswoman BACHMANN has said, we have many options, contrary to what Secretary Paulson has said when he presented this to us. And to reiterate what Congressman McCOTTER from Michigan said, it is important that the American people know the Democrats are in charge of this Congress. They have 231 votes. It takes only 218 to pass a bill. If they want to pass a bill, they can pass any bill they want to. They have done it this whole 20 months without our help. They don't need bipartisan support for this.

□ 2215

I would like to speak about an article from the Wall Street journal entitled "A Mortgage Fable."

I am not going to read this article tonight, but I do want to point out some things again, some which my colleagues have already pointed out, but just to hit some high spots. It talks

about the problems, the people and the agencies that have created the problems that we are facing.

I will quote here, "But Washington is as deeply implicated in this meltdown as anyone on Wall Street or at Countrywide Financial. Going back decades, but especially in the past 15 or so years, our politicians have promoted housing and easy credit with a variety of subsidies and policies that helped to create and feed the mania. Let us take the role of political cause and financial effect."

Again, I am going to hit the high spots here. "The Federal Reserve. The original sin of this crisis was easy money."

"Fannie Mae and Freddie Mac. Created by government, and able to borrow at rates lower than fully private corporations because of the implied backing from taxpayers, these firms turbocharged the credit mania. They channeled far more liquidity in the market than would have been the case otherwise."

Fannie and Freddie's patrons on Capitol Hill didn't care about the risks inherent in their combined trillion dollar plus mortgage portfolios, so long as they help meet political goals on housing, even after taxpayers have had to pick up a bailout tab that may grow as large as \$200 billion, House Financial Services Chairman BARNEY FRANK still won't back a reduction in their mortgage portfolios.

"A credit-rating oligopoly. Thanks to Federal and State regulation, a small handful of credit rating agencies pass judgment on the risk for all debt securities in our markets. Many of these judgments turned out to be wrong, and this goes to the root of the credit crisis: Assets officially deemed rock solid by the Government's favored risk experts have lately been recognized as nothing of the kind."

"Banking regulators. In the Beltway fable, bank supervision all but vanished in recent years. But the great irony is that the banks that made some of the worst mortgage investments are the most highly regulated."

"Meanwhile, the least regulated firms—hedge funds and private equity—have had the fewest problems, or have folded up their mistakes with the least amount of trauma. All of this reaffirms the historical truth that regulators almost always discover financial excesses only after the fact."

"The Community reinvestment Act. This 1977 law makes banks to make loans to poor borrowers who often cannot repay them. Banks that failed to make enough of these loans were often held hostage by activists when they next sought some regulatory approval."

"Our point here isn't to absolve Wall Street or to pretend there weren't private excesses. But the investment mistakes would surely have been less extreme, and ultimately their damage containable, if not for the political support and subsidy for mortgage credit."

Mr. Speaker, I would like to submit for the RECORD the article from the Wall Street journal I just referred to, entitled "A Mortgage Fable."

[From the Wall Street Journal, Sept. 22, 2008]

A MORTGAGE FABLE

Once upon a time, in the land that FDR built, there was the rule of "regulation" and all was right on Wall and Main Streets. Wise 27-year-old bank examiners looked down upon the banks and saw that they were sound. America's Hobbits lived happily in homes financed by 30-year-mortgages that never left their local banker's balance sheet, and nary a crisis did we have.

Then, lo, came the evil Reagan marching from Mordor with his horde of Orcs, short for "market fundamentalists." Reagan's apprentice, Gramm of Texas and later of McCain, unleashed the scourge of "deregulation," and thus were "greed," short-selling, securitization, McMansions, liar loans and other horrors loosed upon the world of men.

Now, however, comes Obama of Illinois, Schumer of New York and others in the fellowship of the Beltway to slay the Orcs and restore the rule of the regulator. So once more will the Hobbits be able to sleep peacefully in the shire.

With apologies to Tolkien, or at least Peter Jackson, something like this tale is now being sold to the American people to explain the financial panic of the past year. It is truly a fable from start to finish. Yet we are likely to hear some version of it often in the coming months as the barons of Congress try to absolve themselves of any responsibility for the housing and mortgage meltdowns.

Yes, greed is ever with us, at least until Washington transforms human nature. The wizards of Wall Street and London became ever more inventive in finding ways to sell mortgages and finance housing. Some of those peddling subprime loans were crooks, as were some of the borrowers who lied about their incomes. This is what happens in a credit bubble that becomes a societal mania.

But Washington is as deeply implicated in this meltdown as anyone on Wall Street or at Countrywide Financial. Going back decades, but especially in the past 15 or so years, our politicians have promoted housing and easy credit with a variety of subsidies and policies that helped to create and feed the mania. Let us take the roll of political cause and financial effect:

The Federal Reserve. The original sin of this crisis was easy money. For too long this decade, especially from 2003 to 2005, the Fed held interest rates below the level of expected inflation, thus creating a vast subsidy for debt that both households and financial firms exploited. The housing bubble was a result, along with its financial counterparts, the subprime loan and the mortgage SIV.

Fed Chairmen Alan Greenspan and Ben Bernanke prefer to blame "a global savings glut" that began when the Cold War ended. But Communism was dead for more than a decade before the housing mania took off. The savings glut was in large part a creation of the Fed, which flooded the world with too many dollars that often found their way back into housing markets in the U.S., the U.K. and elsewhere.

Fannie Mae and Freddie Mac. Created by government, and able to borrow at rates lower than fully private corporations because of the implied backing from taxpayers, these firms turbocharged the credit mania. They channeled far more liquidity into the market than would have been the case otherwise, especially from the Chinese, who thought (rightly) that they were investing in

mortgage securities that were as safe as Treasuries but with a higher yield.

These are the firms that bought the increasingly questionable mortgages originated by Angelo Mozilo's Countrywide and others. Even as the bubble was popping, they dived into pools of subprime and Alt-A ("liar") loans to meet Congressional demand to finance "affordable" housing. And they were both the cause and beneficiary of the great interest-group army that lobbied for ever more housing subsidies.

Fan and Fred's patrons on Capitol Hill didn't care about the risks inherent in their combined trillion-dollar-plus mortgage portfolios, so long as they helped meet political goals on housing. Even after taxpayers have had to pick up a bailout tab that may grow as large as \$200 billion, House Financial Services Chairman Barney Frank still won't back a reduction in their mortgage portfolios.

A credit-rating oligopoly. Thanks to federal and state regulation, a small handful of credit rating agencies pass judgment on the risk for all debt securities in our markets. Many of these judgments turned out to be wrong, and this goes to the root of the credit crisis: Assets officially deemed rock-solid by the government's favored risk experts have lately been recognized as nothing of the kind.

When debt instruments are downgraded, banks must then recognize a paper loss on these assets. In a bitter irony, the losses cause the same credit raters whose judgments allowed the banks to hold these dodgy assets to then lower their ratings on the banks, requiring the banks to raise more money, and pay more to raise it. The major government-anointed credit raters—S&P, Moody's and Fitch—were as asleep on mortgages as they were on Enron. Senator Richard Shelby (R., Ala.) tried to weaken this government-created oligopoly, but his reforms didn't begin to take effect until 2007, too late to stop the mania.

Banking regulators. In the Beltway fable, bank supervision all but vanished in recent years. But the great irony is that the banks that made some of the worst mortgage investments are the most highly regulated. The Fed's regulators blessed, or overlooked, Citigroup's off-balance-sheet SIVs, while the SEC tolerated leverage of 30 or 40 to 1 by Lehman and Bear Stearns.

The New York Sun reports that an SEC rule change that allowed more leverage was made in 2004 under then Chairman William Donaldson, one of the most aggressive regulators in SEC history. Of course the SEC's task was only to protect the investor assets at the broker-dealers, not the holding companies themselves, which everyone thought were not too big to fail. Now we know differently (see Bear Stearns below).

Meanwhile, the least regulated firms—hedge funds and private-equity companies—have had the fewest problems, or have folded up their mistakes with the least amount of trauma. All of this reaffirms the historical truth that regulators almost always discover financial excesses only after the fact.

The Bear Stearns rescue. In retrospect, the Fed-Treasury intervention only delayed a necessary day of reckoning for Wall Street. While Bear was punished for its sins, the Fed opened its discount window to the other big investment banks and thus sent a signal that they would provide a creditor safety net for bad debt.

Morgan Stanley, Lehman and Goldman Sachs all concluded that they could ride out the panic without changing their business models or reducing their leverage. John Thain at Merrill Lynch was the only CEO willing to sell his bad mortgage paper—at 22 cents on the dollar. Treasury and the Fed

should have followed the Bear trauma with more than additional liquidity. Once they were on the taxpayer dime, the banks needed a thorough scrubbing that might have avoided last week's stampede.

The Community Reinvestment Act. This 1977 law compels banks to make loans to poor borrowers who often cannot repay them. Banks that failed to make enough of these loans were often held hostage by activists when they next sought some regulatory approval.

Robert Litan, an economist at the Brookings Institution, told the Washington Post this year that banks "had to show they were making a conscious effort to make loans to subprime borrowers." The much-maligned Phil Gramm fought to limit these CRA requirements in the 1990s, albeit to little effect and much political jeering.

We could cite other Washington policies, including the political agitation for "mark-to-market" accounting that has forced firms to record losses after ratings downgrades even if the assets haven't been sold. But these are some of the main lowlights.

Our point here isn't to absolve Wall Street or pretend there weren't private excesses. But the investment mistakes would surely have been less extreme, and ultimately their damage more containable, if not for the enormous political support and subsidy for mortgage credit. Beware politicians who peddle fables that cast themselves as the heroes.

The last thing that I would like to say, because I want to give some more time to my colleague to New Jersey, is that one of the areas that I think has not been properly discussed in the last couple of days is the fact that Republicans have put out a set of economic rescue principles. They are on my Web site. I think they are on probably many other people's Web sites. I am only going to highlight these very, very quickly. These were put together by a working group, established by Republican Leader Boehner and released earlier this week.

Again, I think it's very important to that the taxpayers know we have put them first, not Wall Street. These are the three major components, a commonsense plan to have Wall Street fund the recovery, not taxpayers. You heard that first from Republicans. "Have Private Capital Injection to the Financial Markets, Not Tax Dollars."

"Immediate Transparency, Oversight, and Market Reform."

Mr. Speaker, I would submit Economic Rescue Principles for the RECORD.

ECONOMIC RESCUE PRINCIPLES

COMMON SENSE PLAN TO HAVE WALL STREET FUND THE RECOVERY, NOT TAXPAYERS

Rather than providing taxpayer funded purchases of frozen mortgage assets to solve this problem, we should adopt a plan to insure mortgage back securities through payment of insurance premiums.

Currently the federal government insures approximately half of all mortgage backed securities. (MBS) We can insure the rest of current outstanding MBS; however, rather than taxpayers funding insurance, the holders of these assets should pay for it. Treasury Department can design a system to charge premiums to the holders of MBS to fully finance this insurance.

HAVE PRIVATE CAPITAL INJECTION TO THE FINANCIAL MARKETS, NOT TAX DOLLARS

Instead of injecting taxpayer capital into the market to produce liquidity, private cap-

ital can be drawn into the market by removing regulatory and tax barriers that are currently blocking private capital formation. Too much private capital is sitting on the sidelines during this crisis.

Temporary tax relief provisions can help companies free up capital to maintain operations, create jobs, and lend to one another. In addition, we should allow for a temporary suspension of dividend payments by financial institutions and other regulatory measures to address the problems surrounding private capital liquidity.

IMMEDIATE TRANSPARENCY, OVERSIGHT, AND MARKET REFORM

Increase Transparency. Require participating firms to disclose to Treasury the value of their mortgage assets on their books, the value of any private bids within the last year for such assets, and their last audit report.

Limit Federal Exposure for High Risk Loans: Mandate that the GSEs no longer securitize any unsound mortgages.

Call on the SEC to audit reports of failed companies to ensure that the financial standing of these troubled companies was accurately portrayed.

Wall Street Executives should not benefit from taxpayer funding.

Call on the SEC to review the performance of the Credit Rating Agencies and their ability to accurately reflect the risks of these failed investment securities.

Create a blue ribbon panel with representatives of Treasury, SEC, and the Fed to make recommendations to Congress for reforms of the financial sector by January 1, 2009.

I thank my colleague from New Jersey for allowing me to do this. I want to leave with a quote that our colleague, TRENT FRANKS from Arizona, gave me tonight, in an e-mail. "If you love wealth better than liberty, the tranquility of servitude than the animated contest of freedom, go from us in peace. We ask not your counsels or arms. Crouch down and lick the hands which feed you. May your chains sit lightly upon you, and may posterity forget that you were our countrymen."

It's from Samuel Adams, and I say to those who want to support the Paulson socialism plan, this is my message to you.

Mr. GARRETT of New Jersey. I thank the gentlelady from North Carolina for joining us and also for your leadership on this crucial issue, perhaps as others have said, one of the most crucial issues we in Congress will ever vote on.

As the lady said, as the speakers before have as well, we recognize the severity of the problem on the U.S. economy, and the global economy as well. We recognize that some action by Congress is necessary, but we suggest that the proposal that has been proposed by Secretary Paulson and ostensibly supported by the Democrat majority is the wrong proposal. Therefore, we have stepped up to the plate and suggested a House Republican proposal.

It is not simply us, we here in the House Republicans that suggest that the Paulson-Pelosi proposal is not the way to go. In my hand here is a list of, I think, several hundred economists, 192 economists from around the country, who reviewed it and expressed their view and, very briefly, they say

we want to express to Congress our great concern for the plan proposed by Treasury Secretary Paulson to deal with the financial crisis.

"We see three fatal pitfalls in the current proposed plan. One, its fairness, the plan is a subsidy to investors at taxpayer expense. Two, its ambiguity, neither the mission of the new agency, nor its oversight are clear; and, three, perhaps most important, it's long-term effects, if the plan is enacted, its effects will be with us for a generation."

I know the President heard those remarks, it was reported on ABC. When he saw this, he said, "I don't care what someone on some college campus says," ABC reports. Instead he says he trusts his Treasury secretary.

Well, quite candidly, as a representative of Congress, I trust what my constituents are saying about this situation. They realize it's an important matter. They realize it's a tightening of the credit markets. They realize that something must be done, but they also realize, as the economists do, that we should not be putting this on the backs of the taxpayers, but, rather takes gentle lady from North Carolina suggests, come up with an alternative proposal where the Wall Street players would actually be underwriting the cost of the proposal.

As the gentle lady has put into the record and outlined it, in essence what we are doing there is setting up a guaranteed fund, if you will, or backing for those mortgage-backed securities.

I will just digress on how that would work for 30 seconds, think of it this way. If you are confident in the way that Washington handles your tax dollars today, if you are confident that the way the American government, Washington, handled your tax dollars when it came to Katrina, if you are confident with the way that Congress handles your tax dollars when, year after year, we can't balance our budget like the American family has to balance their budget. If you are confident in the way that the American government in Washington handles your tax dollars when we run deficits of \$100 billion, \$150 billion, then \$200 billion and \$300 billion, now over \$400 billion. With this, of course, on top of it, would be over a trillion dollars.

If you were confident with the management of the assets of the American government over the past years, then you should be absolutely confident that we would be able to set up an agency, either external to the Treasury or within the Treasury, to be able to handle \$700 billion of mortgage-backed security, and that would mean, on the back side of those, all the assets of those foreclosed properties that would possibly come from that as well.

Somebody on a TV show earlier said well we did it with the RTC, and Secretary of the Treasury Paulson said, well, this is not like the RTC. But in a the way it is. We were handling those assets. At some point along the line I

had to remind the commentator on the program with the RTC, it ended up costing the taxpayer around 127 to 147 billion dollars, which in today's dollars is around \$220 billion. Here we are talking about \$700 billion.

If you are confident the American government can do this better than anyone else, then support either the initial Paulson-Pelosi proposal or any hybrid or compromise from that that still involves that.

But if you are not so confident, if you have a question of the ability of Washington adequately handling those dollars, and if you have a question on how this may impact upon the economy and the monetization of that debt and the rise in inflation that may have followed it this year. But next year, if the production in this country does not increase, then you should be looking for an alternative, and that alternative is just what the lady from North Carolina has raised.

As I started my comment, I said, let us therefore not look to those who have brought us to this point in the first place, whether it be the Federal Reserve, with the loose lending policies that they have had for years, or the Congress who refused to step in, as I said, when evidence indicated that had there was a problem in the housing market, that a bubble was coming, that there was a problem with the GSEs, that's Fannie Mae and Freddie Mac but Congress refused to act.

Let's not go back to those individuals who brought us to that particular point for a solution, let's maybe think out of the box and look for a solution.

Another economist recently was published on this matter, to address more of the global issue, the larger issue. I will read from this, he is Chicago economist Robert Schimer from the University of Chicago. He States, as follows, "Let me mention one other issue that I take very seriously. I recognize that this might not matter much to my Congressman, but in my view it may be the most important issue for global welfare. The U.S. has long been a beacon of free markets. When economic conditions turn sour in Argentina or Indonesia, we give very clear instructions on what to do: balance the budget, cut government employment, maintain free trade and the rule of law, and do not prop up failing enterprises. Opponents of free markets argue that this advice benefits international financiers, not the domestic market. I have always believed (at least since I began to understand economics) that the U.S. approach was correct. But when the U.S. ignores its own advice in this situation, it reduces the credibility of this stance. Rewriting the rules of the game at this stage will therefore have serious ramifications not only for people in this country but for future of global capitalism. The social cost of that is far, far greater than \$700 billion.

So I end where I began, the social cost of our adopting a program, on this

country, and our children and our future generation will be far, far greater than anything we can imagine if we do not do it right.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. WATERS (at the request of Mr. HOYER) for September 26 until 5:15 p.m.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. TANCREDI) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, today.

Mr. POE, for 5 minutes, September 28.

Mr. JONES, for 5 minutes, September 28.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1492. An act to improve the quality of Federal and State data regarding the availability and quality of broadband services and to promote the deployment of affordable broadband services to all parts of the Nation; to the Committee on Energy and Commerce.

S. 2913. An act to provide a limitation on judicial remedies in copyright infringement cases involving orphan works; to the Committee on the Judiciary.

S. 3109. An act to amend the Solid Waste Disposal Act to direct the Administrator of the Environmental Protection Agency to establish a hazardous waste electronic manifest system; to the Committee on Energy and Commerce.

S. 3192. An act to amend the Act of August 9, 1955, to authorize the Cow Creek band of Umpqua Indians of Oregon, the Coquille Tribe of Oregon, and the Confederated Tribes of the Siletz Reservation, Oregon, to obtain 99-year lease authority for trust land, and to authorize the Morongo Band of Cahuilla Mission Indians of the Morongo Reservation, California, to obtain 50-year lease authority for trust land; to the Committee on Natural Resources.

S. 3477. An act to amend title 44, United States Code, to authorize grants for Presidential Centers of Historical Excellence; to the Committee on Oversight and Government Reform.

S. 3536. An act to amend section 5402 of title 39, United States Code, to modify the authority relating to United States Postal Service air transportation contracts, and for other purposes; to the Committee on Oversight and Government Reform.

S. 3641. An act to authorize funding for the National Crime Victim Law Institute to provide support for victims of crime under Crime Victims Legal Assistance Programs as a part of the Victims of Crime Act of the 1984; to the Committee on the Judiciary.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Ms. Lorraine C. Miller, Clerk of the House, reported and found truly enrolled bills and a joint resolution of the