

Mr. GARRETT of New Jersey. And I thank the gentleman from Texas. I thank the gentleman from Utah as well for being on the floor, and for both your leadership on this issue.

ENERGY IN AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Madam Speaker, it's an honor to be recognized to address you here on the floor of the United States House of Representatives.

I listened to my colleagues with great interest, and I appreciate the constitutional acumen that they bring to the floor. I honor their work and support their statements, and do through a rather unsmooth segue into the issue that I believe needs to be addressed here, Madam Speaker, so that there can be a greater depth of knowledge about the subject of energy in this country.

First of all, there is a certain idea that somehow we can talk about energy conservation and we can pass legislation to require automobiles to get 75 miles to the gallon and somehow that's not going to cost a price in quality of life or in engineering costs. And some people believe that that can actually happen. And I know that if we go so far as to mandate such a thing, you would have to park your Harley today because it wouldn't get that kind of mileage. And if that's going to happen with a family automobile, I would like to know how that is designed to be done without putting us in a very flexible and crashable vehicle that doesn't provide very much safety for the people that are inside.

I'm concerned about that approach, Madam Speaker, and I'm concerned about an approach that believes that there is maybe only one or two things we can do with energy, and maybe there is a silver bullet here to solve all of this.

□ 2045

Madam Speaker, there is no silver bullet on energy. It is a cost of everything that we do. A cup of coffee, a pair of shoes, a suit, a ticket to the ball game, a television set, everything that we might buy or consume, including all of our food, the price of it is wrapped up in energy. And inflation of energy is inflation of everything. And as we watched gas prices go up since the beginning of this Congress, this 110th Congress, when Speaker PELOSI took the gavel, gas prices have gone up over 50 percent in that period of time. And the promise was, well, there was going to be a commonsense approach to energy.

Madam Speaker, I'm still waiting for that commonsense approach. I've seen pieces of legislation come across this floor a number of times in this 110th Congress, and every piece of legislation

that addressed energy raised the cost of energy, and no piece of legislation increased the supply of energy, which would reduce the cost.

The law of supply and demand is that if you have more supply than you have demand, prices fall because the sellers have to discount in order to turn their product into cash. And if you have a demand that's higher than the supply, the price goes up because the buyers are willing to pay more because they want it; so they compete for the product.

Just the same way as if you're a great athlete, Madam Speaker, and maybe only a few people can sky walk above the hoop and slam the ball down through in a basketball court, and only a few of those people get offered the millions of dollars because it's a rare talent. There's a lot of demand for that kind of talent and only a little bit of supply. So the price for a very highly talented basketball player goes up and up. The same goes for all of our sports. We can see that easily. If you're a clutch pitcher and you can step into a baseball game with the bases loaded and nobody out and are ahead by one run and take them down three at a time and you can do that consistently and perform well under pressure, if you've got that kind of control, you're worth a lot of money in that arena because the supply is low and the demand is high.

Well, with energy the supply is low and the demand is high, just like it is for a very talented basketball player or a very talented attorney or a very talented actress or a very talented CEO. So how do you reverse this when you're dealing with the American people, whose standard of living and quality of life is wrapped up in this cost of energy? And, Madam Speaker, I will submit that we must increase the supply of energy, in every category that we intend to use energy, we need to increase the supply.

Now, if you'll imagine, Madam Speaker, in your mind's eye, a pie chart, a 360-degree pie chart of all the components of our sources of energy, and that would include gasoline and diesel fuel and natural gas and clean burning coal. It would include wind energy, solar energy, ethanol, biodiesel and biomass, hydroelectric, and it would include nuclear. And also on that pie chart, we need to add a slice in there for energy conservation because energy conservation is—on this, Madam Speaker, I agree with the majority party. Energy conservation is an important component of our overall energy solution.

But there is no energy solution that has been offered by the leadership here. We do not have a commonsense solution that's been offered by the leadership. We have pieces of legislation that raise the cost of energy, blocking certain parts of the publicly owned lands from drilling. And the places where we could drill, there has already been a blockage of being able to transport

natural gas or oil through those public lands. So we have taken millions of acres of oil-producing lands off-limits, off-limits to the American people, while we are dependent on foreign oil. The exact opposite that I believe that we should do.

And we're not drilling in ANWR. Now, ANWR, the Arctic National Wildlife Refuge, whoever named that was really thinking ahead if they thought that they wanted to lock up a lot of energy underneath the frozen tundra. But I went up there to look at that land. I really thought that if I would get up there, I would find ANWR, the Arctic National Wildlife Refuge—I believed I would get there and it would be teeming with wildlife. I thought caribou would be running all over the place and there would be some wolves there picking off the strays, and I thought there would be some musk-oxen and maybe some Arctic fox, and I thought I would see an alpine forest because I had seen that in one of the commercials that said "Don't drill ANWR."

Well, I went up there, and I did actually do the research to find out where the furthest-most northerly tree is. If you remember, Madam Speaker, I think you and I learned this in eighth grade science class that the Arctic Circle and the Antarctic Circle are lines around the globe—on the northern hemisphere, the Arctic Circle is a line around the globe, north of which trees don't grow. So it shouldn't be a surprise to anybody to find out there are no trees in ANWR. And it was a surprise to me to find out that there is no resident caribou herd there. I did see four musk-oxen as we flew all over ANWR looking for some wildlife. We saw that and two white birds, and that was the extent of it, although there are some whales that get harvested as they swim along the shoreline and there are some polar bears that live up there along the shore. So it's not without wildlife.

But we drilled in the North Slope of Alaska back in 1973—1972 and 1973 was when it began. There was a great concern about disturbing the natural regions up there and a concern that we would tear up the natural tundra and it could never be replaced again and that there would be oil spills that soaked up that couldn't be cleaned up.

And, Madam Speaker, I went up there and found out that we have drilled in the North Slope, and we have done it well. And if we fly across that North Slope and look around, I couldn't identify a single oil well, not one. They are all submersible pumps set down below the ground level. And the pads that are there for workover are places that they drive to on ice. So when the ice melts in the summer, there's no sign that anybody approached the well. And the caribou herd went from 7,000 head in 1972 to 28,000 head as of a couple, 3 years ago. That's a fourfold increase in caribou herd in the North Slope in Alaska, in a region that was alleged to have been

poised before it was drilled to having the wildlife and the natural environment there damaged significantly. It has not been, and there is no example that it was. The only example that we can find is that caribou like to get up on the higher ground where the wind blows the flies off of them and they like to have their calves up there out of the water; so their population has increased. But those are the caribou herds that are resident to the North Slope of Alaska, but there are no caribou herds that are residents in ANWR. So the natural animal life there won't benefit quite as much except the caribou do migrate into ANWR to have their calves in the spring starting about mid-May, early to mid-May, and then along about mid-June or the latter part of June when the calves are strong enough, they walk back over to Canada, where they actually do live.

But in that whole region in the North Slope, no spills, no measurable impact on the environment. And we can do the same thing, only better, in ANWR. We can do it with about a 2,000-acre footprint, and we can drill directionally, and we can open that up and we can bring that oil over to the Alaska pipeline, pump it down to Valdez, and put it on tankers and ship it like we have done out of Alaska for years and years successfully. That oil needs to come out. It needs to come out of the ground. It needs to go into the marketplace.

You cannot defy the law of supply and demand. If you shut down the supply and the demand remains the same, the price goes up. If you increase the demand and you keep the supply the same, the price goes up. We have both of those things happening. We have a demand increase, and we have a supply growth that's being shut down.

And not only that, Madam Speaker, but instead of voting down drilling on publicly owned land, and I will say nonnational park public lands, we need to open up our nonnational park public lands for drilling. We need to do that. We need to drill in the Outer Continental Shelf, primarily offshore Florida, where we know there are at least 406 trillion cubic feet of natural gas. And where the people who are sitting on the beach, there's a concern that if they have information that there's a drill rig out there at 199 miles, though you can't see it much beyond about 12 miles, but if there's a drill rig out there offshore at 199 miles, some folks are afraid that people won't go sit on the beach if they hear a rumor that there's a drill rig out there. So we shut off a 200-mile limit for exploration when a country like this needs the natural gas and a country like this needs the oil. We need to drill the Outer Continental Shelf all the way up and down our coast off of California, all the way north as far as there is energy. We need to tap into it. We need to tap into it all, Madam Speaker, and put it all on the market.

And we need to add into that the alternative energy uses that we have. We

have developed a tremendous industry in renewable fuels. And I speak from a base of, I will say, experience, and I represent the Fifth Congressional District of Iowa. There are 435 congressional districts in Iowa, and of the 435 districts, there's only one that produces the most renewable energy, and that's the Fifth District of Iowa, when you count ethanol, biodiesel, and wind.

But I see my good friend from California, former chairman, now ranking member of the Armed Services Committee, Mr. DUNCAN HUNTER, to whom I'd be so happy to yield.

And I appreciate your being down here, DUNCAN.

Mr. HUNTER. I thank my friend for yielding. And the gentleman from Iowa is indeed an expert on renewable energy, and I've spent a lot of time in his wonderful State examining that program, which is very robust right now.

I thought the gentleman might be interested, because this is a subject that's near and dear to your heart, in the recent progress on the border fence and the recent actions that have been undertaken by the administration.

The gentleman from Iowa and I have linked arms on a number of occasions to do several things: one, pass the border fence legislation that mandates the construction of a double fence across the southern border for about 854 miles. And as we know, that legislation was watered down some in December by the Senate, but it remains a mandate to do at least 700 miles of fence. And the administration just undertook the waiver of environmental regulations that would keep the fence from being built for many years.

In fact, I remember that when we tried to fence Smugglers Gulch, where a great deal of cocaine came into the United States between San Diego, California, and Tijuana, Mexico, we were delayed for 12 years by a series of lawsuits and regulations being invoked. I think the last regulatory delay revolved around whether or not a gnatcatcher would fly over a 12-foot-high fence, and after a year I think the experts concluded that indeed that gnatcatcher could clear the fence; so we could build it.

So the administration has invoked this waiver, and I want to commend Secretary Chertoff for undertaking that waiver because it's absolutely necessary if we're going to get the fence built. Otherwise, we will never get it built. And today the southwest border, and particularly Texas along with Arizona, are absolutely on fire with the smuggling of drugs and illegal aliens. And last year they moved about 22 metric tons of cocaine across the border, across the southwest border, and about 368 tons of marijuana. So it's still a trafficking corridor or a series of corridors which are flowing relatively unimpeded by this relatively small force of Border Patrolmen and Customs and DEA agents who attend the border. But getting that double-border fence up, and in some cases it's a single

fence—I would like to see a double fence all the way across—but getting that fence up is going to have a great, very salutary effect on law enforcement in the United States.

And I'm reminded that when we built the double fence in San Diego, the crime rate by FBI statistics in the county of San Diego dropped by 56.3 percent. And I think if we indeed get the series of fences up across the southwest border, you're going to see fewer criminal aliens being incarcerated at the Federal, State, and local level. And right now there are 250,000 of them in incarceration.

So since the gentleman has been my partner in these endeavors, I knew he would want to hear the report.

A hearing was chaired by the Committee on Resources and two subcommittees in Brownsville, Texas, and I think we aired the issues very fully. And if you listened to all the testimony, a couple of things were clear: One, we need the fence because no one has an alternative; and, number two, if we don't get the waivers, we will never get the fence built.

So I thought the gentleman would be interested in that progress, and I just wanted to report that to him.

And I thank you for yielding.

Mr. KING of Iowa. Reclaiming my time, Madam Speaker, I very much appreciate the gentleman from California (Mr. HUNTER) for coming to the floor and filling us all in on this report.

I look at the statistics, and absolutely I support the mandate of Congress. You say 700 miles, but when you calculate curves in the border, it comes out to 854 miles, as the gentleman has said. The 22 metric tons of drugs and you add to that the 368 tons of—

Mr. HUNTER. Of marijuana.

Mr. KING of Iowa. Of marijuana. And I happen to know that the value of those drugs coming across our southern border are \$65 billion worth of illegal drugs.

□ 2100

That is with a B. To try to get one's mind around \$65 billion; what is that? Well, for example, PEMEX, Mexican nationalized oil company, produces about \$28 billion worth of oil pumped out of Mexico and along the Gulf; \$28 billion. This is about 2½ times the value of all the illegal drugs coming into the United States. The 250,000 criminal illegal aliens that are incarcerated in the United States amounts to 27 percent of the criminal population, the inmate population in our Federal penitentiaries, and there is a report that came out in April of 2005 that shows that we are funding about one out of every four prisoners that apply. And you do the math on that, and it comes out to about 25 percent of our State and local prisons are criminal inmates there as well.

So when I look at what happens in places like Israel, where they have built a fence that has been almost 100 percent effective, you can't make the

argument, I don't believe, that it's not effective when you put up a barrier to keep people out. It's a lot different than building a Berlin Wall, for example, to keep people in. This is a barrier to keep people out. And with those that do come in, the crime that comes in with that, as the gentleman from California said, a reduction of 56.3 percent in the Smugglers Gulch area.

There are Americans that are dying every day in this country at the hands of people that if they were simply kept in the country where they are citizens, their crimes would be perpetrated someplace else. The measure of that is far greater than our casualties in the Middle East. I don't think there's any way to calculate it otherwise.

As I add to this argument, I ought to point out also that the news I saw showed that in Tijuana over the weekend there was a running drug gang fight where they were driving through the streets, shooting at each other, with tourists around and residents around, and the number that I saw was 13 killed, and those that were killed, the way I understood it, were all criminal drug gangs.

Mr. HUNTER. If the gentleman will yield.

What that really amounts to is that this industry of moving this poison across the international border to the United States is cocaine that poisons our young people. That is such a massive industry now on the southern border of the U.S. that the drug gangs are fighting each other for control of this lucrative industry. That is what it represents. That is another reason why we need to build that border fence.

Incidentally, we had 202,000 arrests in the area where the fence has now been constructed between San Diego, California, and Tijuana, Mexico. After we constructed it, we went down to 9,000 arrests. That is a reduction of more than 90 percent. And in the Yuma sector, where we have also now constructed double fencing, we went from 138,000 arrests to a little under 4,000. That is more than a 95 percent reduction.

So of all the things that we have tried with respect to controlling the border, we have discovered that one thing does work and that is a border fence. The President and Mr. Chertoff should be commended for invoking this waiver that we gave them so we can move ahead on this very, very important part of the people's business, and that is keeping their kids safe.

The last statistic that I would give the gentleman that I brought up in Brownsville was this. Last year, we intercepted 58,000 people coming across the border from Mexico who were not citizens of Mexico. They came from virtually every country in the world. More than 800 of them came from Communist China, 14 came from Iran, and 3 of them came from North Korea. That means that anybody in the world with a television set can understand very quickly that the way to get into the

United States illegally is no longer through the airports, because they have been effectively blocked. It's to get to Mexico and cross the land border between Mexico and the U.S. Another reason to build the border fence.

Mr. KING of Iowa. I want to reiterate too the utilization of the waiver. As I have tracked that through the news, I also commend Secretary Chertoff for utilizing the waiver to go forward and build the fence. As the gentleman from California references, the fence and the triple barriers that exist down in the southwestern Arizona area, San Luis, south of Yuma, I remember visiting there and asking the question of Secretary Chertoff, We always hear the statement if you build, I will show you an 11-foot ladder, you build a 20-foot fence, I'll show you a 21-foot ladder.

I saw the fence down there, and as I asked this question, Has anyone defeated this barrier, and it had to be asked a number of times, and the answer came back no. When I was there, no one had defeated the new triple fencing barrier that was constructed in the San Luis area where the crossings have gone down from 138,000 to 4,000.

I ask the gentleman from California, are you aware that anyone has defeated the triple barrier fence anywhere?

Mr. HUNTER. No. As long as you have a modicum of manning, that is if you leave a fence totally alone, obviously a person can come in, sit down for hours with welding gear and cut through anything, or bring in heavy construction equipment and cut through anything. As long as you have a modicum of manning. That is why you have the Border Patrol road in between the fences, so the smuggler has to come across the first fence, cross a high speed Border Patrol road, sit down with his welding gear and work on the second fence, or carry that 22-foot ladder. Then the question comes back to the person who makes that statement—incidentally, that statement was made by Governor Napolitano, who is the Governor of Arizona.

Now, let me see. She said, You show me a 20-foot fence, I'll show you a 21-foot ladder. She derided the fence. And in her district where we built the double fence at Yuma, we have brought down the arrest rate from 138,000 to 4,000. So apparently the smugglers haven't read her statement that they should have no problem with this fence.

But it does work and, incidentally, the other thing it does is it leverages the Border Patrol. Because we were able to pull Border Patrolmen off our fenced area and move them to other places on the southern border. You don't need as many Border Patrolmen when you have an impediment, that is when you have the fence in place.

So for those who say the question is, How many Border Patrol can we get? You free up a lot of Border Patrolmen by having the fence. Incidentally, you need to have that double fence because

you trap the smugglers in between the two fences.

I thank the gentleman for yielding and for his great work on this important issue. We will continue to work together.

Mr. KING of Iowa. I thank the gentleman from California, who has been the leader on this fence and made sure the first got built and is here making sure that we get the last of it built. I just submit we don't have to build exactly 2,000 miles of fence to get this all done. I submit we build the Duncan Hunter 700/854 miles of fence and then we will just keep right on building as long as they keep going around the end. If they stop going around the end, we can stop building fence. If they start going around the end, we'll start building some more.

Mr. HUNTER. I thank the gentleman.

Mr. KING of Iowa. I thank the gentleman from

California. There's a lot more to be taken up on that. As a matter of transition on the cost of this border, we are spending \$8 billion on our southern border. When you calculate the cost of funding Border Patrol and all their equipment and all of the costs that are associated with that, as well as the costs of ICE and the enforcement that we have along on the border, about \$8 billion a year. That is \$4 million a mile. Now we can build interstate for that kind of money. Instead, we just simply want to build a couple of fences with some sensors on it and invest that money and get the return back in the first year.

As we recruit Border Patrol that come to work, I ask them to keep your spirits up and get tied into the mission. Often there is a loss of notion on that lack of mission if it's not clearly articulated. There isn't a place to compromise the law. When someone violates it, we must enforce it and follow through with prosecution. We need to put the resources in your hands so you can do that. You are brave Americans serving this country, serving us well. I go down along that part of the border and sit down in nice quiet meetings with brave Americans that are serving this country and I hear your stories. I hear them anonymously sometimes. And I sit along the border in the dark at night and watch and listen as the infiltration comes through.

I have got a sense of what you're up against. I'm sure I don't appreciate it the way you do, being faced against it every day. I appreciate the work, as this Congress does, and I appreciate the gentleman from California coming to the floor.

I wanted to swing back to the energy piece of this, Mr. Speaker, and as I talked about the different components of the energy pie, the overall pie chart, our sources of energy, and I listed a whole series of them: Gas, diesel, biodiesel, and nuclear, wind. The list goes on. Not necessarily to repeat them all, but just to refresh in our eye the things we are talking about here from the sources of energy that we have.

I was in the process of making the statement that of all 435 congressional districts in America, there is one congressional district that produces more renewable energy than any other congressional district. That is the Fifth Congressional District of Iowa. We are in the top three in ethanol production of all the congressional districts. We are the top biodiesel-producing district of all of the congressional districts. We are in the top one to four on wind. Perhaps today we are third or maybe second on wind generation of electricity. If you add up the Btu's we are converting into renewable energy sources, the Fifth District produces more than anybody else. So we ought to know a little more about it.

First of all, and I need to debunk some of the myths that are out there. One of them is a myth, it is a myth that it takes more energy to produce ethanol than you get out of the ethanol. That is a myth. There was a college professor that did a study that went back and added up all the energy it would take to produce the tractor and smelt the steel and produce the rubber for the tires and transport the tractor and the combine and the cultivator and the application equipment all the way to the farm field. They calculated all of the energy that it took to do that, as well as the energy it took to make seven passes over the field, if I remember that number correctly. It didn't add up quite good enough yet so they charged against the energy consumption to produce ethanol, this is to raise a crop of corn, by the way, 4,000 calories a day for the farm workers because it takes energy to keep them going.

When you get to that point, Mr. Speaker, you have to know that they are grasping at straws, they are reaching pretty hard to try to pull in as many ways that they can describe that there's energy consumption in ethanol production through corn. Well, let me submit, Mr. Speaker, that first of all, if you add all that up, then you can make anything so inefficient, we couldn't possibly do it. But the corn is going to be raised anyway. So that description isn't valid and it's not a rational way to compare how much energy that we are getting out of corn versus how much energy it takes to produce the equipment that raises the farm crop.

If we are going to measure the amount of energy used to produce tractors and combines that are used in the field, along with the diesel fuel or the gas that is in the tractor and in the combine and in the trucks that haul the grain away, then by the same comparison we have got to look at the energy that is consumed when we produce gasoline out of crude oil. It isn't just an inequation of a barrel sitting at the refinery of Texas. It is all of the military that has to go over to defend the oil fields. It's the anchor, all the energy it takes to cast the anchor for the battleship and all the energy it takes to produce weaponry of all kinds, and

the F-16s that have to fly in the air and the bullet proof vests and armored Humvees. How much energy does it take to drive an army? Are they consuming 4,000 calories a day? Perhaps they are. In fact, I'd submit more than that, as much as they are up against.

If you add all that up, you can compare that to the energy it takes to produce tractors and combines and energy in the form of ethanol out of corn. But I will submit that that is a ridiculous path to go down to try to prove something. I think that the study that said that it took more energy to produce ethanol, the specious one about measuring the energy it took to produce the tractor to farm the corn is a specious study and it is invalid and it was grasping at straws.

When the same people go back and calculate what it takes to put an army in the field and a navy in the sea and an air force in the air and how much fuel to drive all of that, compare that and the energy you get out of the crude oil versus the energy you get out of corn, we are still going to look really good, although neither comparison is valid.

So what is valid is this. We are going to raise the corn anyway. We have the oil out there coming out of the ground anyway. So what is valid is each one of them has a commodity price, and as ADAM SMITH said, the value of anything in the marketplace is the sum total of the capital that it takes to produce it and the labor that it takes to produce it. So when you add up the capital and the labor, and you look at the price, the market price, you will have those two things together.

For example, crude oil has gone up by the barrel from, not that long ago, \$50 a barrel, to \$118 or \$119 a barrel. That more than doubled over the last year and 15 months or so.

□ 2115

Why is that? Because of supply and demand. Because it has gotten more scarce, because there is more demand on the oil, and because the cost of capital and production and labor have gone up.

So we measure the value of the commodity in the marketplace. What does it command when it is marketed as a commodity? What is corn worth by the bushel, what is crude oil worth by the barrel? That is how we determine what it is worth.

I will submit this, Mr. Speaker, and that is that if we put a barrel of crude oil sitting outside the gates of the refinery, let's just say in Texas, and we are going to have to refine that crude oil and do what we call crack gas out of that crude oil, that takes energy to do that. And the energy that it takes to crack one Btu out of gasoline out of crude oil is 1.3 Btus of energy to do so.

If you put a bushel of corn sitting outside the gates of an ethanol plant in Iowa, for example, anyplace in the corn belt, and you are going to produce one Btu out of that corn in the form of eth-

anol, it will take .67 Btus of energy input to get one Btu out in ethanol in the form of corn.

If you do that in gasoline coming out of crude oil at the refinery in Texas, you will use up 1.3 Btus to get one Btu back. It is almost, by modern numbers, actually, twice as much energy consumed to produce gasoline from crude oil as it takes to get ethanol out of corn. That is a laboratory fact. It is not a negotiable one, it is not an opinion, it is a laboratory fact.

And they worry about water consumption, how much water does it take to produce ethanol for the amount of water that it takes to produce gasoline. Cracking gasoline takes significantly, multiple times more water than producing ethanol out of corn. Cracking gas out of crude oil, a lot more water than ethanol out of corn.

So we take care of those two arguments. Those things stand up with laboratories tests. Those are finite numbers. They are not negotiable. They are a matter of scientific fact. It isn't even "settled science," in the way Al Gore would say his opinion is. It is laboratory facts.

So, now we have this ethanol, and we have put it into the marketplace and we have produced upwards perhaps in the last year somewhere near 9 billion gallons of ethanol. And that is putting a dent into the overall supply. We are burning about 142 billion gallons of gasoline in a year, so the 9 million gallons of ethanol is approaching that level where it is significant in its contribution in keeping the cost of energy down.

But the argument comes back then to me and across the airwaves of this country, Mr. Speaker, that we have high food prices because the production of ethanol has taken corn off the marketplace and made food prices higher.

Now, why is it that people that don't understand the law of supply and demand when it comes to the cost of energy can all of a sudden discover the law of supply and demand when it comes to food prices, and then misinform themselves for the suitability of their own argument?

So it works like this: We don't consume a lot of field corn for human consumption. Most of it, if it is not processed into some 300-some different products, but most of the field corn is used in livestock feed and it does get converted into food that way.

But here is how this works. In 2007 we produced 13.1 billion bushels of corn. Of that, we exported 2.5 billion bushels of corn. That left 10.6 billion bushels back for us, 10.6 billion to use here domestically. Of that, we converted 3.2 billion into ethanol, a little over 9 billion gallons of ethanol. That left 7.4 bushels of corn for domestic production. That 7.4 billion gets added back to it at least half of the corn that we use for ethanol, because there is a high grade animal feed product that is a by-product of ethanol production. That would be about 1.6 billion bushel equivalent added back in.

So we end up with exactly, by my calculation here, 9.0 billion bushels of corn to be used here domestically for animal feed, for processing into the things that we process it into. And so the argument would be, well is that 9.0 billion bushel, is that more or less corn than we normally have for domestic production?

We pushed our production up, and over the last 6 years we have produced an average of only 10.3 billion bushels of corn, and we have exported about 2 billion. So that takes us down to 8.3 billion bushels of corn available in an average year. Last year there was 9 billion bushels available. And yet the people who don't understand the law of supply and demand when it comes to energy seem to think that even though we have more domestic corn available on the market here in the United States, even after we exported more corn than ever before, somehow they think that is what is driving up food prices.

Mr. Speaker, I submit food prices are driven up because of energy costs, not because of the supply and demand on corn, because we have more corn. And so all we have to do is look at the numbers to understand this and realize the cheap dollar has been driving up commodity prices for food, it has been driving up gas prices, it has been driving up the cost of defense.

I would be happy to yield to my friend from California.

Mr. HUNTER. I thank my friend for yielding. He truly is the resident expert on ethanol production and it has been very interesting to listen to him.

Another aspect of providing enough energy, of course, and becoming energy independent, which really is a national security issue at this point, is that we have to use all of our sources. And it is important for this body and for the other body, for the U.S. Senate, to pass finally permission for us to drill in Alaska.

Right now we have got an abolition on drilling, a lot of impediments to moving forward and increasing the amount of petroleum product that is available to the American people. If we drill in Alaska, and, incidentally, the Alaskan pipeline has not hurt any wildlife species. You can see caribou rubbing their summer coats on the Alaskan pipeline. They are that worried about it.

If we drill in Alaska, we are going to find new oil. We will also be able to utilize the production that is available there. And every drop of oil that we produce in this continent is oil that we don't have to worry about coming through the Straits of Hormuz. That is that narrow channel of water where the Iranian gunboats came out and harassed an American naval ship here a couple of months ago, where we are constantly watching a short-fused situation with very unstable countries, monitoring that particular dangerous part of the world.

Having energy independence for this country is a very, very important part

of national security, and we should open up Alaska so we can utilize in a very responsible way the petroleum resources that lie under that great State.

I thank the gentleman.

Mr. KING of Iowa. I thank the gentleman from California for bringing his background and expertise to this. Sometimes there is a different view on things between California and Iowa, and I don't find that to be the case when it comes to common sense, particularly when it has to do with energy production and when it has to do with the immigration issues that are there.

I have, of course, traveled to ANWR and seen the situation up there. I would add also that the people that believe that we are going to run out of energy supply here in the world and so somehow we should not tap into the known energy, what would be a better time to go where we know we have a lot of energy than right now, get up to Alaska and drill that?

We are hearing also announcements of huge energy finds around the globe. For example, we know that there are tremendous reserves of oil off the West Coast of Africa, and offshore is a good thing in that part of the world because it is actually easier to provide security offshore than onshore in some of those areas. Brazil has announced two huge crude oil finds, oil fields, there. And with the Chevron find in the Gulf of Mexico a year-and-a-half or so, it was another huge find. And they announced the other day there are 3.4 billion barrels of oil in the North Dakota and Montana area, in that overthrust area they were drilling in 20 or 25 years ago. Now they go down about 10,000 feet and they have to drill then from there horizontally with new technology, and they can draw the oil out. There are 3.4 billion barrels of oil up there, along with one of the world's largest oil supplies, the oil sands area in northern Alberta, which we hope to build a pipeline down and tap that in and refine it here in the United States. We have got that going on. We have a nuclear power plant under construction in South Carolina today. So we are taking some steps.

But the barrier here in this Congress, the leadership that is provided currently with the people that hold the gavels, it is all about cutting down on the supply of energy and raising the price, because I think that they believe, and maybe the gentleman from California is better tuned into this myopic belief, but I think they believe that if they can raise the cost of energy and take supply down, people will ride bicycles and park their car. And that doesn't help grandma very much in January in Iowa when she is 10 miles away from town. But if they ride bicycles more and then drive up the cost of everything we do, somehow that saves the environment and saves the planet. That is what I hear coming out of the voices in Congress.

I would ask for the judgment of the gentleman from California.

Mr. HUNTER. Well, I would say to my friend, I think he has made an ex-

cellent point. The way you bring down the price on any commodity is to increase the supply. And we have got a number of leaders in this House who have undertaken, if you look at their legislative record, undertaken a major campaign to stop the supply, to strangle the supply, to diminish the supply of petroleum production. And every time we take wells out of production or we don't produce, where we know we have known reserves, then we are handing part of our future to people in another part of the world who don't have America's best interests at heart.

Mr. KING of Iowa. As the gentleman knows, my view on this, and I think we would concur, is that I always say grow the size of the energy pie. Take every slice of that pie. Let's produce more domestic gas, more domestic diesel fuel and more cleaning burning coal. Let's keep wind energy going, and whatever we can do economically with solar, and expand the nuclear. I would expand the hydroelectric if I could do it and add the ethanol and biodiesel to it. I am sure I am leaving somebody out. But if you can find a way to produce energy and get it into the marketplace, biomass is another one.

We have got some closed systems coming now where we can take an ethanol plant and ship corn in there, feed the corn; the gluten or the dried distiller grain comes out and gets fed to cattle in the feedlot; it is converted to beef; and then the manure goes into biomass and creates the energy that drives the ethanol plant. It is a closed system.

We are developing systems now where we can take the byproduct and convert that into a high concentrated CO₂ environment and produce photosynthesis which traps the carbon gas out and turns it into cellulose and energy. We are only in the first phase of renewable energy production, and, as the technology develops, each piece of it as it comes forward to me is just fascinating how far we will be able to go.

Mr. HUNTER. I appreciate the gentleman letting me participate in this discussion. I appreciate his expertise. I know we will work together to be sure we increase the supply of energy and fuel. I thank the gentleman.

Mr. KING of Iowa. I thank the gentleman from California.

Mr. Speaker, I just hope that we all recognize that it is getting towards evening here in Washington, D.C., and there are some folks that do go off and go to bed or call it a day. The gentleman from California has worked diligently in this Congress for more than 20 years, and I recognize that and appreciate it.

As I move forward here on the energy policy, I wanted to reiterate this equation so that the point on ethanol efficiency, Mr. Speaker, does come home in a clear way. It is this: We have more corn available to us domestically now than we had as an average over any time in the last 20 years that I can come up with for records.

It works like this: In 2007, we produced 13.1 billion bushels of corn. I believe that is the largest crop ever. Out of that, we exported more corn than we had ever exported before, to foreign countries, just shipped it off in the form of grain. We exported 2.5 billion bushels of corn. That left us 10.6 billion bushels left, and out of that we took 3.2 billion bushels and produced ethanol with it, around 9 billion gallons of ethanol.

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And, we get to add back in—that left 7.4 billion bushels for domestic consumption, which is real close to the average available for domestic consumption over the last 6 to 7 years, but half of the corn that went off to be produced into the 9 billion gallons of ethanol gets added back into the formula because it goes back into high-quality animal feed. So, we end up with an effective remaining amount of 9 billion bushels of corn into the domestic market here in the United States where the average previous years in the same decade comes to about 7.6 billion bushels of corn available for domestic consumption here in the United States.

So, we increase the supply of corn for domestic consumption even though we exported more corn than we had ever exported before, even though we produced 9 billion gallons of ethanol. And all of that, and we get the allegation made by the slightly informed that food prices are up because we have turned more corn into ethanol and that has hurt us. It has actually been a big help.

And what we can do is we can take that number and try to be logical about it and realize that the high price for food comes from two things. One is the cheap dollar; the cheap dollar that if we would take the price of energy up—if we would uphold the value of our dollar, shore up the value of our dollar, we could take perhaps one-third of that cost out. And so the gasoline that we are paying \$3.50 for today would be worth maybe about \$2.15 if we could shore up the value of the dollar. Corn that sold cash in Iowa last week for \$6 a bushel would be around \$4 a bushel. Say it is 55 or 60 cash today, it would take it down to below \$4 a bushel if we could take one-third of that out by shoring up the dollar. It would slow down some of our exports and it would change some of the equations, but it would add more stability into overall markets, and we should do that.

But there is a great big future for corn-based ethanol. And it is not a full solution by any means; and in fact, if I look at our corn production and look at our gasoline consumption, I have to think that somewhere in that 13 or 14 percent category is about where we end up, Mr. Speaker, of how much of the gasoline in this country we can substitute ethanol for. But that is a part of it. And if we can get 13 or 14 percent, it surely was worth it to start building wind chargers to produce electricity

when we thought we would have to cap that off at about 15 percent because it is not a stable enough supply to produce all of the energy that we could have. And that is a tremendous capital investment, Mr. Speaker.

So, this corn does have a future. And it has got a future in ethanol, and it is a future that needs to be sustained and maintained by this Congress. The blenders credits have got to stay in place, and we have got to maintain the import duty on Brazilian ethanol, because if we take that off, we will be building infrastructure to produce more ethanol in a place like Brazil. They can produce, they can build their own infrastructure with their own capital. We need to put capital back into the corn belt and into the ag areas of the United States so that we can build out this renewable energy infrastructure. If we do that, we will have an industry there that will provide renewable fuels over and over again.

And the people that argue that corn ethanol has a carbon footprint know the worst that you can say for it is it is carbon neutral, because the carbon that is sequestered by the photosynthesis is released, some of it, back in the atmosphere in the form of CO₂. But we can convert that CO₂ into a useful byproduct. We are in the process of developing it. I believe we have the science to do that. We don't have it up to the industrial proven model yet.

But I would argue this, Mr. Speaker: That about \$5.50 bushel a corn, by the time we process not quite 3 gallons a bushel out of that corn into ethanol we get about \$7 worth of ethanol out of that bushel of corn. And then when we add to that where through the fractionization process we crack out the germ, and out of the germ we take the oil. And the oil, some of it is there, it is for food grade consumption high quality oil that is worth about 85 cents a pound now. And then we get a lower grade oil that goes into biodiesel. And so we could take the corn oil, some goes to human consumption, some goes into biodiesel. That taking the corn oil out allows then the remaining grain to leave a residue for a dried distiller's grain that can then be digested by hogs and poultry because the oil is out. It is the oil that gives them a problem.

So if we do the fractionization process of the corn and take the germ out and take the oil out of the germ, when we are done, this is a more useful feed than what it is today, it is more versatile, because it can go to a lot of different livestock where right today cattle have an advantage. \$7 worth of ethanol and a bushel of corn.

By the time you add up the dried distiller grain feed amount, and by the time we take the CO₂ and convert that into a useful byproduct by using photosynthesis and converting it into biodiesel and the residue of that going back as a feed grain, we capture it all. We capture it all and roll it into something useful. And the short back-of-the-envelope calculation comes to

about \$7 worth of ethanol in a bushel of corn that is worth about \$5.50 and another \$7 worth of high-value product that we used to call byproduct.

When the byproduct gets to be worth more than the primary product, then the byproduct is no longer a byproduct. We could actually get that point. And, I had better not utter those words into the CONGRESSIONAL RECORD, Mr. Speaker, but we have made significant progress. And the value added on this bushel of corn at about \$5.50 turns into about \$14 if we do this right, with no carbon footprint, a carbon plus instead of a carbon neutral. No downside on this. And it takes half the energy to produce a Btu in the form of ethanol out of the corn as compared to gasoline out of crude oil. It takes a lot less water.

And, by the way, the water that it takes to grow the crop, the folks that are critical, they will say they will charge all the water off as if we irrigated that corn. About 12 percent of the corn in America is irrigated; the balance of it is just God's watering it for us. And so it is going to rain anyway. If it is going to rain anyway on that field, you can't charge that water usage against ethanol production, Mr. Speaker. It defies common sense to see such logical contortions going on on the parts of the critics that will not stand down here and lay out fact against fact against fact.

Facts are, we have more corn available for domestic consumption than ever before. We have exported more corn than ever before. And, we have produced, we have turned more corn into ethanol than ever before. We have done all of those things all in the same year, and the inflated costs of food has not related in a significant way to the overall cost of grain. It is more related to the cheaper dollar than it is the supply and demand of the commodity corn.

And so, Mr. Speaker, I submit that we are on the right path, and we need to put more into the infrastructure and we need to produce more ethanol. And, if we can do that, we are helping to solve this problem. And, by the way, food prices appreciated by about 4.9 percent over the last year. Energy prices, Mr. Speaker, appreciated 18 percent over the last year. And a significant portion of the food price appreciation, the increase came because of energy price increases. The cost of energy has a lot more to do with the cost of food than the supply and demand of that food does, because an energy component goes into everything, the distribution and the processing of it, as well as the raising of it.

And so how high would gas be today if you took 9 billion gallons off the market as we put 9 billion of ethanol in? If you took that 9 billion gallons off the market, how much more costly would gasoline be today and how might it change the equation?

I will submit, Mr. Speaker, that food is cheaper today because of corn-based

ethanol. And I would submit that the energy we have today is cheaper because of corn-based ethanol; and, that this equation works out very good for the farm bill, too, because, for example, in 2005, there is a government program, a subsidy that has been there since the 1930s, it paid out in 2005 \$6.8 billion in counter-cyclical and loan deficiency payments. The counter-cyclical and LDPs paid out a total of \$6.5 billion in 2005. By 2006, the subsequent year, commodity prices were up high enough that that zeroed out. There was no \$6.8 billion going into counter-cyclicals and LDPs. And if you charge that all to ethanol demand—and I have already made the argument you don't. But if you do, if you sustain and you are on the side of this argument, Mr. Speaker, that it really was the consumption of corn through ethanol that drove up the price, then you have to also argue that the \$6.8 billion in farm subsidies disappeared because of ethanol.

So, at no cost to the taxpayer and a program that had been there in some form or another since the 1930s, we did pay back in that same year \$3 billion in blenders credit. So there was a net savings to the taxpayers of \$3.8 billion out of the \$6.8 billion that was subsidized the year before. That is pretty good, too.

I don't know of a way that we can do this calculation in a macro national perspective and not come up with corn-based ethanol as a great big plus for the country. It is more energy. It doesn't reduce our food supply, at least by the numbers that we have. Now, if we go overboard, it can. And it doesn't taken away from our export of corn. We still exported more corn than ever before. We have more corn available on the market. It takes about half as much energy to produce a Btu out of corn at the ethanol plant as it does to produce a Btu of energy in the form of gasoline at a refinery out of crude oil.

All of these numbers that I produced here are based in fact, and I can anchor the foundation numbers down by laboratory numbers, Mr. Speaker. This is a picture of the real facts, and I challenge those folks who disagree to come up with something that is solid, a calculation. Give me something that is empirical. Don't give me your feelings, don't give me your senses. Don't say, gee, I just feel this or I feel that. Look at the whole picture, look at the big picture, but look at the composition of the numbers, build a formula there, and see what it does for America. We are on the right track, not the wrong track.

I recognize that the gentleman is here from Maryland who has the next special order. In that case, and out of deference to him, I would, Mr. Speaker, thank you for your attention here tonight and I yield back the balance of my time.

THE MIDDLE EAST

The SPEAKER pro tempore (Mr. MCNERNEY). Under the Speaker's announced policy of January 18, 2007, the gentleman from Maryland (Mr. GILCHREST) is recognized for 60 minutes.

Mr. GILCHREST. I thank the Speaker for yielding.

Mr. Speaker, tonight I would like to talk to you and the American people about the troubled Middle East.

American troops are serving in Iraq and Afghan as we speak. They are stunningly competent and, to some extent, they are implementing a policy that is flawed.

America is behind the troops. Members of Congress are behind the troops. We want to bring independence, a sense of freedom and justice, certainly democracy to this troubled area of the world. But I think in order for us, the policymakers, to develop a policy that is as competent as those troops are competent that carry out the policy, then there is some knowledge that we need to acquire. So, what I would like to do tonight is talk a little bit about the present crisis in Iraq and the way forward.

In order to understand the present crisis in Iraq, and the way forward, which, yes, we can say, can lead to stability, can lead to peace, respect for the rule of law, human dignity, justice and democracy, we need to acquire information to have a better understanding of that region and the present crisis.

So what I would like to do is give a brief history of the Cold War and the United States' involvement in that, during the Cold War what was going on in the Middle East, touch on the present crisis that we are now seeing since 2003, and then, how do we solve this particular situation?

Before I get into that information, I would like to share with you, Mr. Speaker, and Americans where in part some of this information I will give to you tonight has come from. And so I would like the listeners, Mr. Speaker, and I will say this twice during my address this evening. I would like them to get a piece of paper and a pencil, because I want them to write down the name of some of these books. There are not a lot of books. I am not talking about 100 books or 50 books or 20 books, although there are many out there. I am just talking about 10 books that can be easily read in a relatively short period of time.

And what I would ask the readers to do, or in this case if they read the books, the listeners, out across the landscape: You support the troops. You may have a son, a daughter, a father, a brother, a cousin, some relative, a friend in Iraq or Afghanistan, and you want America to rise up and support the troops. You want America to rise up and have a shared sacrifice in this huge endeavor that we are now involved with.

□ 2145

But you are not quite sure how to do that. We are not collecting tin cans for the troops. We are not storing or sending cans of food. We are not using less gasoline, although we should, to support the troops. What specifically are we doing as individual Americans to support the troops and understand the policy in which those troops are implemented?

I would suggest, Mr. Speaker, that the listeners starting tonight turn the television off every night for as long as it takes to really understand, deeply understand the policy in Iraq. Understand the history, the intrigue, the violence, the complexity of the troubled area, the Middle East. So I would ask the listeners, you might have some interesting shows you like to watch occasionally, but I would ask the listeners to put on your calendars two hours every night you are not going to watch television. What are you going to do for those two hours, you are going to support the troops. How are you going to support the troops? You are going to become knowledgeable in the issues in which the troops are involved. You are going to become knowledgeable in the issues that Members of Congress should know and debate and come to some resolution on.

Here are the books. Number one, "A Letter to America," very easily read. It is a message of hope through difficult times by a former Senator from Oklahoma, David Boren. "A Letter to America." Pick it up. You can read it in a day, but it will take a few nights. Take a look at it. You will have some understanding where this Nation is right now in the 21st century.

The next volume is a paperback by James Baker and Lee Hamilton, you've heard of it, Iraq Study Group. "The Iraq Study Group Report" gives a clear vision on the way forward in Iraq. Take a look at it. It is not very long either.

The next one is a little heavy reading by Thomas Ricks. It is called "Fiasco." It gets deep into the complexities of why there are still continuing difficulties in the war in Iraq especially.

Just a thought about that. A few years ago we saw "Mission Accomplished" on a huge aircraft carrier out in the Pacific Ocean. I am not going to make a comment about whether "Mission Accomplished" was appropriate or not appropriate, but there was a remark by a defense intelligence analyst right at that moment who said Israel won the war with the Arabs in 1967 in 6 days. They won that war in 6 days in 1967. Forty-one years later the struggle continues. Read "Fiasco." It gives you some sense of the problems and difficulties and mistakes that the policymakers made in Iraq that the troops, stunningly competent, are trying to implement.

The next is by a retired marine general, Tony Zinni, "The Battle for Peace." The struggle for peace in the Middle East will take everything we have: a strong military, a strong and