school's commitment to educating students about good money management.

It is exciting to observe the commitment to financial literacy and life skills among the student body at Reagan High School. I am confident that the students who participate in the day-to-day operation of the Raider Student Credit Union will emerge from their high school years better equipped to take on the financial challenges they will face as adults.

Equally as important, students will come away with valuable work skills that will serve them as they enter the workplace in the coming years and that will help catapult those who are involved into successful careers.

A recent survey on financial literacy found that young people are increasingly undereducated on matters of financial literacy. Financial literacy and financial education are much-needed tonics in an age of maxed-out credit cards and financial stress.

Many people find themselves in financial difficulties because they were not educated about their options and various financial opportunities. I am confident that this new credit union will equip the students at Ronald Reagan High School with the financial skills to make wise decisions for their financial futures.

I hope that the initiative and innovation that Reagan High School has demonstrated with the Raider Student Credit Union will inspire more schools to follow in their footsteps, not only to start credit unions of their own but to find unique ways to prepare students to take their place in our productive society.

With this groundbreaking program, Ronald Reagan High School has helped to set the pace for financial education in North Carolina's high schools. It is important to note that not only is the Raider Student Credit Union the first high school credit union in North Carolina, it is also an investment in the lives and success of this school's students.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. LYNCH) is recognized for 5 minutes.

(Mr. LYNCH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

(Mr. POE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

(Mr. JONES addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE LATEST REALITY GAME— WALL STREET BAILOUT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, here is the latest reality game. Let's play Wall Street Bailout.

Rule one: Rush the decision. Time the game to fall in the week before Congress is set to adjourn and just 6 weeks before an historic election so your opponents will be preoccupied, pressured, distracted, and in a hurry.

Rule two: Disarm the public through fear. Warn that the entire global financial system will collapse and the world will fall into another Great Depression. Control the media enough to ensure that the public will not notice this.

Bailout will indebt them for generations, taking from them trillions of dollars they earned and deserve to keep.

Rule three: Control the playing field and set the rules. Hide from the public and most of the Congress just who is arranging this deal. Communicate with the public through leaks to media insiders. Limit any open congressional hearings. Communicate with Congress via private teleconferencing calls. Heighten political anxiety by contacting each political party separately. Treat Members of Congress condescendingly, telling them that the matter is so complex that they must rely on those few insiders who really do know what's going on.

Rule four: Divert attention and keep people confused. Manage the news cycle so Congress and the public have no time to examine who destroyed the prudent banking system that served America so well for 60 years after the financial meltdown of the 1920s.

Rule five: Always keep in mind the goal is to privatize gains to a few and socialize loss to the many. For 30 years in one financial scandal after another, Wall Street game masters have kept billions of dollars of their gain and shifted their losses to American taxpayers. Once this bailout is in place, the greed game will begin again.

But I have a counter-game. It's called Wall Street Reckoning. Congress shouldn't go home to campaign. It should put America's accounts in order.

□ 1930

To Wall Street insiders, it says "no" on behalf of the American people. You have perpetrated the greatest financial crimes ever on this American republic. You think you can get by with it because you are extraordinarily wealthy and the largest contributors to both Presidential and congressional campaigns in both major parties, but you are about to be brought under firm control.

First, America doesn't need to bail you out, it needs to secure the real assets and property, not your paper, that means the homes and properties of hardworking Americans who are about to lose their homes because of your mortgage greed. There should be a new job for regional Federal Reserve Banks. We want no home foreclosed if a serious work-out agreement can be put into place. And if you don't do it, we want a notarized statement by a Federal Reserve official that they tried and failed.

Second, taxpayers should directly gain any equity benefits that may flow from this historic bailout. We want the American people to get first priority in taking ownership of the institutions that want to pass their toxic paper onto the taxpayers.

Third, before any bailouts for Wall Street, America needs major job creation to rebuild our major infrastructure. America needs assets, not paper. We need working assets.

Fourth, the time for real financial regulatory change is now, not next year. A modernized Glass Eagle Act must be put in place. We need to reestablish locally-owned community savings banks across this country and create within the Justice Department a fully funded unit to prosecute every single high-flying thief whose fraud and criminal acts created this debacle and then forced their disgorgement of assets going back 15 years.

Fifth, any refinancing must return a major share of profits to a new Social Security and Medicare lockbox, where the monies can go to pay for a dignified and assured retirement for every American. This Member isn't voting for a penny of it. Those who created and profited from this game of games must be brought to justice. The assets they stole must be returned to the American taxpayers, right down to the tires on their Mercedes.

Mr. Speaker, I ask my colleagues to join me in cosponsoring my bill to create an independent commission to investigate these well-heeled wrongdoers. Real reform now, or nothing.

SEVEN DEADLY SINS OF DEREGULATION—AND THREE NECESSARY REFORMS

(By Robert Kuttner)

The current carnage on Wall Street, with dire spillover effects on Main Street, is the result of a failed ideology—the idea that financial markets could regulate themselves. Serial deregulation fed on itself. Deliberate repeal of regulations became entangled with failure to carry out laws still on the books. Corruption mingled with simple incompetence. And though the ideology was largely Republican, it was abetted by Wall Street Democrats.

Why regulate? As we have seen ever since the sub-prime market blew up in the summer of 2007, government cannot stand by when a financial crash threatens to turn into a general depression—even a government like the

Bush administration that fervently believes in free markets. But if government must act to contain wider damage when large banks fail, then it is obliged to act to prevent damage from occurring in the first place. Otherwise, the result is what economists term ''moral hazard''—an invitation to take excessive risks.

Government, under Franklin Roosevelt, got serious about regulating financial markets after the first cycle of financial bubble and economic ruin in the 1920s. Then, as now, the abuses were complex in their detail but very simple in their essence. They included the sale of complex securities packaged in deceptive and misleading ways; far too much borrowing to finance speculative investments; and gross conflicts of interest on the part of insiders who stood to profit from flim-flams. When the speculative bubble burst in 1929, sellers overwhelmed buyers, many investors were wiped out, and the system of credit contracted, choking the rest of the economy.

In the 1930s, the Roosevelt administration acted to prevent a repetition of the ruinous 1920s. Commercial banks were separated from investment banks, so that bankers could not prosper by underwriting bogus securities and foisting them on retail customers. Leverage was limited in order to rein in speculation with borrowed money. Investment banks, stock exchanges, and companies that publicly traded stocks were required to disclose more information to investors. Pyramid schemes and conflicts of interest were limited. The system worked very nicely until the 1970s—when financial innovators devised end-runs around the regulated system, and regulators stopped keeping up with them.

SEVEN DEADLY SINS

Sin One: Allowing Mortgage Lending to Become a Casino. Until 1969, Fannie Mae was part of the government. Mortgage lenders were tightly regulated. Homeownership rates soared throughout the postwar era, from about 44 percent on the eve of World War II to 64 percent by the mid-1960s. Nobody in the mortgage business got filthy rich, and hardly anyone lost money. Fannie's job was to buy mortgages from banks and thrift institutions, to replenish their money to make mortgages, and along the way to set standards. Fannie financed its operations by selling bonds. In the late 1970s, private Wall Street firms started emulating Fannie. They packaged mortgages, and converted them into bonds. Over time, their standards deteriorated, because they could make more money creating riskier products. In order to avoid losing market share, Fannie emulated some of the same abuses. Government did not step in to regulate the affair—which was a time bomb waiting for the creation of the sub-prime mortgage business.

Sin Two: Allowing Unregulated Bond Rating Agencies to Decide What was Safe. Subprime is only the best known of a widespread fad known as ''securitization.'' The idea is to turn loans into bonds. Bonds are given ratings by private companies that have official government recognition, such as Moody's and Standard and Poors, but no government regulation. These rating agencies have become thoroughly corrupted by conflicts of interest. If you want to package and sell bonds backed by risky loans, you go to a bond-rating agency and pay it a hefty fee. In return, the agency helps you manipulate the bond so that it qualifies for a triple-A rating, even if the underlying loans include many that are high-risk. Without the collusion of the bond-rating agencies, sub-prime lending never would have gotten off the ground, because it would not have found a mass market. Had regulators looked inside this black box, they would have shut it down. They might have needed new legislation, but they never asked for it. And public-minded regulators might have done a lot under existing law, since banks (which are regulated) were heavily implicated in the financing of subprime.

Sin Three: Failing to Police Sub-prime. The core idea of bank regulation is that government inspectors periodically examine the quality of bank assets. If too large a portion of a bank's loan portfolio is behind in its interest payments, the bank is made to raise more capital as a cushion against losses. Problems are nipped in the bud. But complex securities require more sophisticated regulation than simple loans. Regulators basically waived the rule on adequate capital for the new wave of mortgage lenders who created sub-prime. Many mortgage companies were not banks. They made loans only to sell them off to the Wall Street sinners of Deadly Sin No. 1 (see above). So there was no loan portfolio to examine, and no real capital. The Democratic Congress anticipated this problem in 1994, when it passed the Homeownership Opportunity and Equity Protection Act. This prescient law required the Federal Reserve to regulate the loan-origination standards of mortgage companies that were not otherwise government-regulated. But Alan Greenspan, a free-market zealot, never implemented the law. And when Republicans took over Congress in 1995, they never called him on the carpet.

Sin Four: Failure to Stop Excess Leverage. The financial economy is crashing today because so much speculation was done with borrowed money. A typical leverage ratio of a hedge fund or private equity company is 30 to one. That means $30 of debt for $1 of actual capital. If you make one serious miscalculation, you are out of business. And in the case of sub-prime mortgage companies, the leverage ratio was infinite, because they had no capital. The game was entirely based on creating debt. As long as times were good, financial firms could keep borrowing to finance their deals. But once investors looked down, they panicked. Some parts of the system are unregulated, such as hedge funds and private-equity companies. But they all ultimately get a lot of their funding from banks. And regulators do retain the power to look closely at banks' books (see Sin No. 3 above). Had they used that power to police the kind of highly risky stuff banks were underwriting they could have shut it down.

Sin Five: Failure to Police Conflicts of Interest. Remember the accounting scandals of the 1990s? In those scandals, accounting firms were paid once to audit corporate books and then again to help clients cook the books and still pass muster with the audit. That was a sheer conflict of interest. Though accountants were (loosely) regulated, Congress did not crack down until cooked books caused the stock market to crash. A second conflict of interest was the corruption of stock analysts, who were telling customers to buy dubious stocks because their bosses were profiting from underwriting the same stocks. In the aftermath of the dot-com bust, Congress narrowly cracked down on these two abuses with the Sarbanes-Oxley Act but simply ignored others—such as the role of bond-rating agencies and the habit of basing executive bonuses on stock prices that could easily be manipulated by the same executives.

Sin Six: Failing to Regulate Hedge Funds and Private Equity. When Roosevelt's New Deal acted to rein in the abuses in financial markets, it regulated the major players—commercial banks, investment banks, stock brokers, holding companies, and stock exchanges. But two of the biggest purveyors of risk today—hedge funds and private-equity firms—simply did not exist. Today, private-equity firms and hedge funds do most of the things banks and investment banks do. They basically create credit by making markets in exotic securities. They buy and sell firms. They speculate in financial markets with borrowed money, taking much bigger risks than regulated banks. According to House Banking Committee Chair Barney Frank, more than half the credit created in recent years has been created by essentially unregulated institutions. The people in charge of the government—conservative Republicans—took the view that these new-wave financial players offered transactions between consenting adults who needed no special consumer protection. But they were oblivious to the risks to the larger system.

Sin Seven: Repeal of the Glass-Steagall Act. This action, in 1999, was one of two major cases when a cornerstone of New Deal regulation was explicitly repealed. (The other was the repeal of the Public Utility Holding Company Act, and if your utility rates are sky-high, you can thank Congress for that, too.) Glass-Steagall provided that if you wanted to speculate as an investment bank, good luck to you. But commercial banks were part of the banking system. They created credit. They were regulated, supervised, usually enjoyed FDIC insurance, and had access to advances from the Fed in emergencies. So commercial banks and investment banks were two different creatures that should stay out of each other's knitting.

But beginning in the 1980s, regulators who didn't believe in regulation either allowed explicit waivers of some aspects of Glass-Steagall or looked the other way as commercial banks and investment banks became more alike. By 1999, when Citigroup had jumped the gun and assembled a supermarket that included a commercial bank, investment bank, stock brokerage, and insurance company, Glass Steagall was so hollowed out that it was effectively dead. The coup de grace was its official repeal, in the Gramm-Leach-Bliley Act. That's Gramm as in former Sen. Phil Gramm, a deregulation zealot and top adviser to John McCain.

THREE BASIC REFORMS

What all of these sins had in common was that they led financial markets to misprice assets. In plain English, that means buyers were purchasing securities based on bad information, often with borrowed money. When firms started losing money on subprime in mid-2007 and other owners decided it was time to get their money out, the whole miracle of leverage went into reverse. And it spilled over into other securities that had been mispriced thanks to all the conflicts of interest tolerated by regulators.

That's why, no matter how much taxpayer money the Federal Reserve and the Treasury keep pumping in, they can't turn dross back into gold. The next administration and the Congress need to return the financial economy to its historic task of supplying capital to the real economy—of connecting investors to entrepreneurs—and shut down the purely casino aspects of the system that have only enriched middlemen and passed along huge risks to everyone else.

Reform One: If it Quacks Like a Bank, Regulate it Like a Bank. Barack Obama said it well in his historic speech on the financial emergency last March 27 in New York. ''We need to regulate financial institutions for what they do, not what they are.'' Increasingly, different kinds of financial firms do the same kinds of things, and they are all capable of infusing toxic products into the nation's financial bloodstream. That's why Treasury Secretary Hank Paulson has had to extend the government's financial safety net to all kinds of large financial firms like

A.I.G. that have no technical right to the aid and no regulation to keep them from taking outlandish risks. Going forward, all financial firms that buy and sell products in money markets need the same regulation and examination. That will be the essence of the 2009 version of the Glass-Steagall Act.

Reform Two: Limit Leverage. At the very heart of the financial meltdown was extreme speculation with esoteric financial securities, using astronomical rates of leverage. Commercial banks are limited to something like 10 to one, or less, depending on their conditions. These leverage limits need to be extended to all financial players, as part of the same 2009 banking reform.

Reform Three: Police Conflicts of Interest. The conflicts of interest at the core of bond-raising agencies are only one of the conflicts that have been permitted to pervade financial markets. Bond-rating agencies should probably become public institutions. Other conflicts of interest should be made explicitly illegal. Yes, financial markets keep ''innovating.'' But some innovations are good, and some are abusive subterfuges. And if regulators who actually believe in regulation are empowered to examine all financial institutions, they can issue cease-and-desist orders when they encounter dangerous conflicts.

We're talking about a Roosevelt-scale counterrevolution here. But nothing less will prevent the financial collapse from cascading into Great Depression II. And the public should never again forget that this needless collapse was brought to us by free-market extremists.

[From Robert Reich's Blog, Sept. 21, 2008]

WHAT WALL STREET SHOULD BE REQUIRED TO DO, TO GET A BLANK CHECK FROM TAXPAYERS

(By Robert Reich)

The frame has been set, the dye cast. Treasury Secretary Hank Paulson, presumably representing the Bush administration but indirectly representing Wall Street, and Fed Chief Ben Bernanke, want a blank check from Congress for $700 billion or possibly a trillion dollars or more to take bad debt off Wall Street's balance sheets. Never before in the history of American capitalism has so much been asked of so many for (at least in the first instance) so few.

Put yourself in the shoes of a member of Congress, including our two presidential candidates. The Treasury Secretary and Fed Chair have told you this is necessary to save the economy. If you don't agree, you risk a meltdown of the entire global financial system. Your own constituents' savings could go down with it. An election is six weeks away. Besides, in the last two days of trading, since rumors spread that the Treasury and the Fed were planning something of this sort, stock prices revived.

Now—quick—what do you do? You have no choice but to say yes.

But you might also set some conditions on Wall Street.

The public doesn't like a blank check. They think this whole bailout idea is nuts. They see fat cats on Wall Street who have raked in zillions for years, now extorting in effect $2,000 to $5,000 from every American family to make up for their own nonfeasance, malfeasance, greed, and just plain stupidity. Wall Street's request for a blank check comes at the same time most of the public is worried about their jobs and declining wages, and having enough money to pay for gas and food and health insurance, meet their car payments and mortgage payments, and save for their retirement and childrens' college education. And so the public is asking: Why should Wall Street get bailed out by me when I'm getting screwed?

So if you are a member of Congress, you just might be in a position to demand from Wall Street certain conditions in return for the blank check.

My five nominees:

1. The government (i.e. taxpayers) gets an equity stake in every Wall Street financial company proportional to the amount of bad debt that company shoves onto the public. So when and if Wall Street shares rise, taxpayers are rewarded for accepting so much risk.

2. Wall Street executives and directors of Wall Street firms relinquish their current stock options and this year's other forms of compensation, and agree to future compensation linked to a rolling five-year average of firm profitability. Why should taxpayers feather their already amply-feathered nests?

3. All Wall Street executives immediately cease making campaign contributions to any candidate for public office in this election cycle or next, all Wall Street PACs be closed, and Wall Street lobbyists curtail their activities unless specifically asked for information by policymakers. Why should taxpayers finance Wall Street's outsized political power—especially when that power is being exercised to get favorable terms from taxpayers?

4. Wall Street firms agree to comply with new regulations over disclosure, capital requirements, conflicts of interest, and market manipulation. The regulations will emerge in ninety days from a bi-partisan working group, to be convened immediately. After all, inadequate regulation and lack of oversight got us into this mess.

5. Wall Street agrees to give bankruptcy judges the authority to modify the terms of primary mortgages, so homeowners have a fighting chance to keep their homes. Why should distressed homeowners lose their homes when Wall Streeters receive taxpayer money that helps them keep their fancy ones?

Wall Streeters may not like these conditions. Well, you should tell them that the public doesn't like the idea of bailing out Wall Street. So if Wall Street doesn't accept these conditions, it doesn't get the blank check.

[From Bloomberg.com, Sept 19, 2008]

SUE THEM, JAIL THEM, MAKE THEM PAY FOR MELTDOWN: ANN WOOLNER

(Commentary by Ann Woolner)

As it stands, the rest of us will be paying much money over a long time for the greed and bad judgment of those who melted down the economy.

Hundreds of billions of taxpayer dollars are propping up firms that a relative few money lenders and Wall Street wizards ruined.

If that weren't enough, the crisis is shrinking the money that Americans diligently socked away for retirement, down payments on first homes, college for the kids or this winter's heating bill. We might as well have opened our windows and tossed out cash.

Beyond crimping living standards around the globe, the crumbling of the U.S. financial system has prompted action radical for a nation devoted to free enterprise. However necessary, it's nothing short of astounding that the U.S. government essentially nationalized the largest insurance company in the country.

The real kick in the teeth is that the executives who inflicted all this financial pain, who forced unprecedented government takeovers, walk away with hundreds of millions of dollars. It's up to us—innocent little us—to dig into our pockets, into our futures and into our children's futures to fix their spectacular errors.

Stanley O'Neal took a $161 million package last year when he left Merrill Lynch & Co. (remember Merrill Lynch?), even without a severance package in the mix. Angelo Mozilo, founder and top executive at Countrywide Financial Corp., reaped almost $122 million during 2007 in stock options alone.

For a mere three months at the helm of American International Group Inc., Chief Executive Officer Robert Willumstad gets a $7 million package.

SELLING STOCK OPTIONS

And while the value of Richard Fuld's shares in Lehman Brothers Holdings Inc. plunged roughly $1 billion, he still pulled in almost $490 million by selling options and share grants in the 14 years that the company's been public, according to Fortune magazine.

We now know those shares were grossly overpriced, resting as they did on subprime mortgages. Shouldn't he give back most of it? All of it?

At least the government is blocking the $24 million given to the fired top guns at Fannie Mae and Freddie Mac, both taken over earlier this month.

As a rule, it isn't easy to take back money or benefits awarded as part of an employment contract, unless you can figure out some way the executive violated the contract's terms.

But it's worth a try. Consider these options.

Toss the rascals in jail. Criminal prosecution allows the government to seize ill-gotten gains. Snip the straps off those golden parachutes and grab them. Take over bank accounts, investment accounts, mansions, private planes and yachts.

BEAR STEARNS

The feds did bring charges against a couple of Bear Stearns Cos. hedge fund managers in June, and Federal Bureau of Investigation Director Robert Mueller told Congress this week his agency is pursuing possible suspects ''as far up the corporate chain as necessary.''

The hitch is that proving executives lied in criminal ways is easier said than done, Enron and WorldCom convictions notwithstanding.

''Criminal prosecutions need to be specific, detail-oriented fact patterns where clear-cut criminality can be established,'' says Robert Mintz, a white-collar criminal defense lawyer and former prosecutor.

''These are broad, sweeping market failures that have swept up so many individuals and so many institutions that prosecutors will have a hard time singling out any entity, much less any institution, and hold them responsible,'' says Mintz, a partner in McCarter and English in Newark, New Jersey.

OK, so file civil suits.

SUE THE DIRECTORS

WorldCom shareholders sued and wrangled $18 million from the pockets of directors, who agreed to pay more than 20 percent of their combined net worth. Another $36 million came from the directors' insurance carriers.

These days, collecting from an insurer might not be the best idea. If AIG is doing the insuring, it would be the taxpayers paying out.

William McGuire, former CEO of UnitedHealth Group Inc., agreed this month to personally cough up $30 million to resolve a lawsuit over stock-option backdating. That's on top of the $600 million in benefits—mostly in stock options—he said he will turn in to resolve another shareholder suit.

The problem is that it normally takes something akin to criminal conduct, such as options backdating or accounting fraud, for civil suits to take money out of the hands of the accused. And, as previously noted, it isn't clear we will have that here.

STRICTER REGULATION

Well, what about government regulators? The U.S. Securities and Exchange Commission didn't do anything to prevent this meltdown. But at least, with New York Attorney General Andrew Cuomo leading the charge, federal and state regulators have forced investment banks to buy back billions of dollars worth of auction-rate securities said to have been sold under dubious claims of reliability.

The bankruptcy law may give Lehman Brothers creditors a chance to grab some of the bonuses the firm paid out last year.

If they can show bonuses were based on bogus claims of solvency, they can go after them, according to compensation expert Paul Hodgson of the Corporate Library, which analyzes corporate governance issues.

Some plaintiffs' lawyers apply the same principle when pushing for tougher corporate governance rules as part of settling a case.

The idea is that CEOs and CFOs who drew bonuses based on earnings that had to later be restated, for whatever reason, must automatically return the excess amount, according to Darren Robbins, a partner in Coughlin Stoia Geller Rudman & Robbins.

Frankly, it's only fair.

DRILL HERE, DRILL NOW

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, a number of the speakers tonight have been talking about the bailout on Wall Street. And we've been told by the head of the Treasury and the FDIC that, unless we do this, there could be real dire consequences for the entire economy of the United States.

The amount that we've been talking about, which will be brought to the floor, is somewhere in the neighborhood of $700 billion, which is directly going to go to our national debt, in all probability. Hopefully, some of those assets that are going to be bought will be able to be sold down the road and the money repaid to the Treasury.

But the thing that bothers me the most is we haven't done anything that will really create new jobs. The speaker that just spoke talked about the creation of new jobs. And we passed an energy bill last week that really isn't going to do anything. And we have the ability to drill off the Continental Shelf and Alaska and elsewhere. And we can get billions and billions of dollars in money coming into the United States Treasury from these assets that we have already, and that is, oil, gas, shale, and other commodities that will help us with our energy crisis.

We have an energy crisis right now, and we have not passed an energy bill that will do anything. Boone Pickens has been on television talking about the transfer of wealth, $700 billion a year. It's an odd consequence that we're going to be asking for $700 billion for the ''Wall Street bailout'' and at the same time we're denying the drilling for oil and other energy products here in the United States which could save $700 billion of our money that's going overseas to Saudi Arabia, to Nigeria, down south to Venezuela. And so the United States is actually turning over our money that we could keep here at home and create hundreds and thousands of jobs and really help this economy if we could just go after the energy sources that we already have here in the United States.

I just don't understand it. We're sending $700 billion to Saudi Arabia, and they're going to be buying these assets here in the United States. It's going to be our money that's purchasing the oil that gives them the money to buy the products here in the United States. It makes no sense, especially when we have the energy products right here in this country, offshore and up in ANWR, and elsewhere, trillions of square feet of gas, millions of barrels of oil, and we can't drill for them because of the environmental concerns that people are talking about. And we could do it in an environmentally safe way.

It makes no sense to me whatsoever to send $700 billion out of this country that we can keep here at home creating jobs. And at the same time that we're sending that $700 billion out of this country to buy oil from other parts of the world, we're asked to give $700 billion to bail out bad investments that have been made, bad loans that have been made. It just doesn't make sense to me.

If we're really concerned about the economy of the United States, we need to drill here, we need to drill now. Use alternative sources of energy as well—wind and solar and everything else—but we need to drill here in the United States. The American people are suffering. They're still playing $4 plus for a gallon of gas, $80 to fill up a 20-gallon tank on a car or a truck. The American people can't afford it. And we could be saving that money, reducing the price of oil and gasoline dramatically, if we drilled here and drilled now, keeping $700 billion of our money here instead of sending it overseas, and especially at a time when we're going to be bailing out financial institutions to the tune of $700 billion.

It's really odd. We're sending $700 billion of our money overseas—we don't need to—at a time when we could sure use it here at home to deal with our financial crisis.

We need to drill here, we need to drill now. We need to lower the price of gasoline and oil and other energy products and we're not doing it. And I simply don't understand it, Mr. Speaker.

And I want to say it one more time; the energy bill we passed last week isn't going to doing anything. It's not going to provide one barrel of new oil from the United States. And we're going to continue to send to Saudi Arabia, Nigeria, Venezuela, and elsewhere, $700 billion of America's money, which could be used to create hundreds of thousands of jobs. It makes no sense. We should drill here, we should drill now. We should move toward energy independence and immediately start lowering the price of gasoline and other fuel products.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SHERMAN) is recognized for 5 minutes.

(Mr. SHERMAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

(Mr. MORAN of Kansas addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CONGRESSIONAL BLACK CAUCUS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentlewoman from New York (Ms. CLARKE) is recognized for 60 minutes as the designee of the majority leader.

Ms. CLARKE. Mr. Speaker, on behalf of the Congressional Black Caucus, our chairman, Ms. CAROLYN KILPATRICK, and the 42 other members, it's my privilege to come and discuss the topic of the hour—I believe the topic of the century—and that is the collapse of our financial service sector and the proposed bailout that we've all heard of this past weekend.

You know, it wasn't that long ago that I heard a gentleman who was serving as Secretary of State to the United States saying to us, when we launched into Iraq and we knew that there was going to be a whole lot of trouble and it was going to be an expensive venture, that if we went in there and we broke it, we own it. Well, ladies and gentlemen, another example of breaking it, now owning it.

You know, the Bush administration and the folks on the other side of the aisle turned a blind eye and a deaf ear in the name of so-called ''free markets''—which, in fact, is not free and all Americans are learning today it's costing us $700 billion; very, very expensive lesson. Because when the call for regulation in this sector went on deaf ears and more deregulation was the mantra, and keeping the free market free led to this feeding frenzy that now has all of us pulling out our hair wondering how we got here. Well, I can tell you that in communities like mine, we got here because people were given bad loan products, they were given subprime loans. There was no investigation, due diligence done to make sure that individuals could, indeed, understand the terms and conditions in which they were being subjected. And we turned a blind eye to that. We felt that the crisis in the subprime market was only for those people, and it wouldn't impact on the overall society. So we said, well, poor