

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 Stoa 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 do 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

them, and they should have known better. Where are the folks screaming “they should have known better” now? Where are they now that the so-called folks in the know who should have known better allowed their corporate interests and corporate greed to supercede their obligation to our Nation, to our overall economy, to our well-being, where are they today? Well, they’re meeting behind closed doors.

There are meetings taking place all over the place this evening, folks trying to scramble here and there to come up with the best deal for “the bailout.” Well, I can tell you that in just about all of the offices of the members of the Congressional Black Caucus the phones are ringing off the hook. They’re ringing off the hook for people who have had to file bankruptcy because they had no health care insurance and someone got ill in the family and they had to use everything they owned to pay off health care costs that have skyrocketed and they’ve had to refinance and refinance their homes over and over again to get the money needed to help in a health care crisis. And we’re getting phone calls from people who got their economic stimulus rebate only to face skyrocketing oil costs and gasoline costs and costs of living just going up while their wages have stayed stagnant. And we’re getting calls from individuals who, due to lack of real management in these financial firms, are mid-, low-level employees that are now unemployed and who also bought into the “American dream” and their mortgages are coming due and they don’t know where their next check will come from.

Well, we are in an economic crisis, and I think we need to not have amnesia at this time. We need to remember where all of our financial woes have come from. They’ve come from an administration and a party that the free market is truly free, that the need for regulation is something that is not a part of being Americans when we regulate every other part of our lives and we regulate just about everything else we do except for the feeding frenzy and the greed that is taking place in this Nation over the past 12 years.

It’s unfortunate that we’ve arrived at this moment in time, and it’s a very expensive wake-up call for all of us. I understand that folks are moving very aggressively to address the financial crisis, as quoted by our speaker, NANCY PELOSI, “to aggressively address the financial crisis.” “We will investigate the Bush administration’s mismanagement of financial regulation, how it led to this crisis, and what solutions Congress can act upon.”

“I don’t think the American people want us to wait until next year. We would hope to have something as soon as we can.” And I agree. We must have some accountability here. This is not a time to use fear tactics, to get people to just go along, to get along. This is a time for accountability.

□ 1945

We are at a time where the crossroads have come and where we’re right at that fork, and either we will continue with the same or we will make a change for the betterment of our civil society.

Let me just say that, as we look at this bailout, it is our hope that we will look at Main Street and, as opposed to the trickle-down economics that got us to where we are today, that we will start at Main Street and will look at the needs of those who have been given these flimflam subprime loans and will work to make sure that we can keep Americans in their homes. We need to come out of this process with a corridor or with a pathway for American families to be able to renegotiate their terms in the same way that our financial institutions are asking for the renegotiation of their terms.

What is good for those who have benefited from this feeding frenzy, from this bonanza, from this greed, from this run-on money is good enough for those who have had to pay the cost. It is our hope that that will be a part of what ultimately is negotiated so that we can pass in this House a bill that is reflective of the desire of the American people.

The financial rescue that we are asking to consider this week will require some legislative solutions. It will conduct investigations into how Wall Street actually got into this crisis, and it will clean up what has become a huge mess, and it will insulate Main Street from Wall Street. We want to know how we will prevent this from ever happening again.

Congress is ready to work, but we are ready to work as coequal partners in this process. We are not willing to have the administration dictate to us the terms under which we will do what needs to be done to set our financial house in order. It’s not up to us to simply hand over a \$700 billion blank check to those in the financial sectors who are now in crises and hope for a better outcome.

The CBC, working along with our colleagues throughout this body in the New Direction Congress, will work to protect taxpayers’ interests. We will make sure that the necessary safeguards that we believe will provide a responsible solution will include independent oversight and protection for homeowners with reasonable limits on executive compensation for CEOs and for other top executives.

I think one of the things that really boggles the mind of the average, everyday American is the fact that the corporate CEOs have gotten away with wrecking their corporations while receiving bonuses—golden parachutes—when they’re asked to leave. Now, for the average, everyday American, when they don’t perform well at their jobs, all that they can expect is an escort out the door of their employers’. Yet somehow we’ve gotten it so twisted that we are actually giving rewards for bad performance. This has got to stop.

I do not understand how in a day and time when we’re asking for accountability from everyone that we would enable these individuals who have been reckless in their endeavors to walk away scot-free. So we are clear that whatever we legislate this week will have implications for those who are in executive office and for those who are seeking to receive compensation as they depart from jobs poorly done.

I see that I have been joined this evening by the very distinguished gentleman from Chicago, Illinois, by a gentleman who has been a part of the Congressional Black Caucus for quite some time now and who has been a leader in education, in labor and in understanding the challenges of our urban communities across this Nation. I know he, like so many other members of the Congressional Black Caucus, has been getting phone calls throughout the weekend, starting Friday into today, nonstop, from his constituents who have been raising their concerns and their issues about the crisis that we’re in, and they’ve been giving their advice about what they would like to see from us as a body representing their interests.

So, at this time, I yield as much time as he would like to consume to the gentleman from Chicago, Illinois, Congressman DANNY DAVIS.

Mr. DAVIS of Illinois. Well, thank you very much.

I just want to commend and to thank you, Representative CLARKE, for the leadership that you’ve taken on this issue as well as on a number of others. When you were elected, those of us who knew of your history and who knew of your family’s history in New York were all delighted to know that we were going to have a queen warrior join us in the House of Representatives, and that’s exactly what you have demonstrated yourself to be.

With every phone call that I have gotten—and I represent a district where the people like to be engaged and where they like to be involved—one of my biggest bills is probably my phone bill. That’s because our phones are constantly being used all the time, all the time, all the time.

In practically every call that we have gotten, the people have said, “Don’t fall for the okey-doke.” So, you know, you have to ask them “What is the ‘okey-doke’? What are you talking about? What are you asking us not to fall for?” They’ll say, “Don’t fall for any bailout plan that only bails out financial institutions, that only bails out financial investors, that only bails out sophisticated traders, that only bails out people who really know and who understand markets and who have got all of these sophisticated tools and all of this information. Make sure that John Smith gets bailed out. Make sure that Sally Jones gets bailed out. Make sure that Mary Jackson gets bailed out.”

In essence, what they were saying is make sure that, as to any bailout plan,

it has built into it consumer interest for the little guy—for the person who has invested and who has created a life savings that is being wiped out without a minute's notice, for the individuals who've got retirement plans that they've meticulously tried to put together and from which they're hoping to have some little nest egg at the end of their work. Make sure that these individuals' interests are, in fact, protected; make sure that they are included, and make sure that there is enough oversight to protect them.

As a matter of fact, one guy called, and he just said, "If you want to make sure that you do something, make sure that you regulate, regulate, regulate, regulate, regulate and that you have oversight, oversight, oversight, oversight and that you have enough independence and enough people involved in oversight who don't have the institutional interests nor the self-interests that will take them away from the public interest."

So it's the public interest that we're talking about protecting. I don't believe in having more oversight than you need to. I don't believe in regulating more than what is necessary, but I can tell you that I believe sincerely that deregulation has been part of the culprit. We know that people have come to us and have said, "You're strangling our ability to grow and to make money." Well, how much money do you really want to make? When is enough, enough, enough?

Another person told me the other day that the history of the world, my sweet, is deciding who eats and who gets to eat. It seems to me that there is an opportunity with this crisis, that there is an opportunity to make sure that bailout plans and schemes will create jobs, that they will promote the redevelopment of many of our inner city and depressed rural communities throughout the country and that they will make sure that the money goes where it is actually needed.

So I am prepared to vote for that kind of a bailout plan. I am not prepared to vote for anything that does not represent the serious consideration of the public interest. I'm hoping that as we debate, discuss, develop, and align things this week that that's what we're going to come up with.

So I again want to commend you. I want to thank you. I want to appreciate your leadership, to appreciate the work that is being done. I can tell you that, when the dust settles and after all is said and done, the American people will judge us by what we do for America, not just by what we do for any category or for any group of interest entities but by what we do for America.

I thank you again, and it has really been a pleasure to stop by. I've got to go and do what just regular people do, you know. I've got to go and wash.

I yield back the balance of my time.

Ms. CLARKE. I thank the gentleman from Chicago, Illinois for his eloquence

and for the sharing of his insights based on the constituency that he represents and based on the years of knowledge and on the years of experience that he has had here in Washington in dealing with these matters.

This is truly an unprecedented time, but we have got to look back a bit to really get a sense of how we got here. Follow me on this chart over here. It's building a wall of debt.

When you look back at the year 2001, our debt was at \$5.8 trillion. Fast forward to 2009, and it is projected that our debt will have basically doubled in that time. Then let's also recollect the philosophy of the Bush administration and of the Republicans of this body. There was a great proclamation about the ownership society. That is, we want to make sure that this Nation is underpinned by the need and by the capacity and by the ability to own.

Well, at the end of the day, what we see is that we own a whole lot of debt. On top of this debt, we're going to be owning \$700 billion in poor assets, in assets that no one else was able to leverage to create profit. There were all of those loans that were given to those who wanted to be a part of the ownership society. In their hearts, they knew it was the best thing to do, but they were seized upon by unscrupulous individuals who provided a product that was basically a pipe dream.

□ 2000

We were all part of the ownership society, all right. And in the words of Colin Powell, you broke it, you own it. And I just find it quite interesting that everyone is getting on TV, particularly those who were responsible because of their lack of stewardship, because of their breaking of the public trust, to say, you know, no one is to blame here. Well, when you pursue policies that create such damage to American finance, American households and communities, the American psyche, well, I think you need to own that too.

So today we are talking more about some of the proposals that are coming before us. I just want to put in a word about the fact that in this whole ownership society there was also a lack of discipline, and discipline can be shaped up in a number of different ways.

The way I like to discuss it, it has to do with regulation. I find it ironic that there are people in the financial world, real bigwigs, who have not been able to come to grips with the fact that their joyride is over, that happy days are not here again, but that they have driven our economy into the ground, and they are all lining up right now to want to be part of the solution, without regulation, without accountability.

Those days are over. I can tell you that the members of the Congressional Black Caucus, the members of the Democratic Caucus, the Members of the new Congress are not going to sit by idly have false proclamations made without substantiation.

We have back in March of 2008 when we spoke about the issue of regulation

and the need for regulation, our own President saying, "I'm deeply concerned about law and regulation that will make it harder for the markets to recover, and, when they recover, make it harder for this economy to be robust."

Well, Mr. President, the markets failed with no regulation. Regulation was not a part of the equation here.

Then you have our nominee in the Republican Party, Senator MCCAIN, who says, "I am always for less regulation. I would like to see a lot of the unnecessary government regulations eliminated." March of this year. Now, everyone knew. Everyone knew this was coming down the pipe, and they are now the ones calling for regulation.

Well, now that the horse is out of the barn and the crisis has hit, it is easy to make that determination, because hindsight is 20-20. But when reasonable people pleaded, held hearings to talk about the need to regulate what was going on, when we saw predatory lending becoming a cancer, a gangrene in communities of color, when we saw the subprime foreclosure market just eat communities alive, there was no mercy. There was a wink and a nod, and the feeding frenzy continued.

Then it spread to the prime market, and the feeding frenzy continued. It continued so much so that in many of these financial institutions folks were almost delusional about the condition that their companies were in. Overnight it seemed, all of a sudden everything came cascading down.

You know, for the average American, we don't get bailouts. We get reprimanded. We get marginalized. We get being told that we are irresponsible. Yet I hear none of that terminology for all of these folks who have not only upset the U.S. market, their reckless behavior has upset the world market. The world market.

We have an over abiding obligation in the United States of America. We are looked to around the world for our excellence, for our ability to handle our affairs, and that has been eroded to nothing under the Bush administration. Not in one area can we say that we have held to the American ideals, and this economic crisis marks that.

Let me also share with you something you already know, and this has to do with our economy, it has to do with the loss of jobs. Back when Bill Clinton was President of the United States, as you can see, our economy was robust and we were on a path to prosperity with respect to job growth and development.

Under the Bush administration, in just 8 years we have brought so many families, so many communities into poverty. The number of new jobs needed per month to keep pace with the growth in the working age population, 150,000. And look at the performance of the Bush administration.

This says it all, folks. We are in an economic downturn. Individuals are unemployed, health care costs are skyrocketing, energy costs are through

the roof, financial markets are crashing. All of this, all of this did not happen overnight. It certainly hasn't happened since the new Congress. This was a building process.

And for individuals to stand up and say that it was the Democratic Congress that caused this to happen, it is insulting the intelligence of the American people. It started during a period of time where the philosophy was in place that anything goes in the free market. It started when there was a philosophy in place that said that the ownership society is one that does not need to be regulated. It started and continued on a path of destruction under the leadership of the Bush administration.

Compounding that is the continued war in Iraq. Compounding that is the cost of health care, that grows exponentially each month. Compounding that is the loss and the hemorrhaging of jobs. So Wall Street has now caught up and our economy is so fragile that meetings are taking place throughout Capitol Hill in every nook and cranny to save, to save, our financial well-being.

When we say our financial well-being, it is truly our financial well-being, because we have known in urban communities for quite some time when the unemployment rate was rising that something was wrong. It was an indicator. When people began losing their homes, filing for bankruptcy. When folks who had formerly been middle-class had quickly in the blink of an eye become part of the working poor or homeless, no one shed a tear. And now every news media outlet is crying the woes of the financial giants.

Well, I guess this is the day of reckoning, and this is the time where the great equalizer is making things happen in real time, because this Congress has an obligation, and I certainly will not be voting for any bailout that does not include a bailout of the people that I represent.

When the Bush administration took office in 2001, it inherited a projected surplus for 2008 of \$651 billion, \$651 billion when they took office from the Democratic President Bill Clinton. The unemployment rate as we know it today continues to increase, from 4.7 percent to 6.1 percent, and shows no sign of slowing down. We are truly, truly being governed by an administration that has moved in the wrong direction, and our economy is a reflection of those policies.

So what is the House of Representatives being asked to do? Well, this week we will begin going over a number of proposals. The package that has been talked about so much in the press puts limits on executive compensation and sets the economic structure in a way in which we will advocate help for homeowners for foreclosure so the crisis will not cripple our communities.

We are calling for oversight. Oversight. The Government Accountability Office needs to monitor the progress of

any proposed programs. We are granting the Treasury Department way too much power as estimated and as called upon by many of you out there in our communities, and there needs to be much more transparency.

The anything-goes Bush administration policies have been irresponsible. The non-regulation of financial institutions has led to this crisis, let there be no mistake about it. There is a lot of spin going on out there. There are a lot of folks who want to sugarcoat what has been in my estimation a dereliction of duty.

We need to move in a new direction, with responsible regulation and safeguards for middle-class folks, for folks who live in urban centers who have been paying for all of these bailouts. We will also launch an investigation of the regulatory failures and mismanagement that has treated our financial system as a cash cow for some. And, most importantly, we will build a future of financial security for those who are hurting in our Nation right now, in particular those who are in the working and middle-class.

It is clear that the administration has requested that Congress authorize in very short order very sweeping and unprecedented powers for the Treasury Secretary to confront a financial crisis of what people are saying are epic proportions. Well, that is going to come at a price as well. This administration has not demonstrated that it can be charged with the responsibility of managing the affairs of this Nation in a way in which harm is not done to its people. So, good luck with that one.

In working with the administration, we will strengthen the proposal by ensuring that the government is accountable to taxpayers in any future action under this broad grant of authority.

Now, we don't want to make this seem as though we are not going to work in a bipartisan manner. We are. But we are not going to have shoved down our throats policies that promote more of the same bad behavior. That behavior is gone, it is in the past, and we are saying that if you want to collaborate, we are willing to work with you, but there has to be a recognition of the failures so that we don't repeat them in the future.

□ 2015

When the Bush administration took office in 2001, there was a projected surplus of \$651 billion. Today we stand on the advent of having to bail out the financial institutions of this Nation to the tune of \$700 billion.

While people say that, well, this is not going to impact the budget because we are seeing this really as an investment as opposed to an expenditure, well, we have to expend it first, and we have to create an environment that encourages the purchase of what has been bad business. How we shape that is really up to those in the financial sector to come to the table.

But I can tell you, the American people will not be left holding the bag

here. They will not be left holding the bag for those who decided that they were going to treat this country like their own personal ATM and that they were going to bankrupt us at a time when we should be experiencing great prosperity.

The debate has begun, the conversations are being had throughout the Capitol across party lines. As we concern ourselves about our financial instability, we reflect on those who live in our communities, who are senior citizens, who could have been hoodwinked into partially privatizing their Social Security and the proposals that are coming out of the Republican party to partially privatize and invest for health care.

If we had pursued those policies, can you imagine the hysteria in so many parts of our community where people have invested their lives, their well-being in a scheme that benefited the most wealthiest sectors of our Nation?

Can you imagine that under the Bush administration the tax cuts that were given to this same class of folks, the wealthy, and you look at the rising of the deficit, and you look at all of these indicators of greed, of free-market greed, you have to ask yourselves, do we and can we trust, again, an administration and a party that would be so derelict of duty, that would be so frivolous as to cause the type of hardship that we are all digging deep to endure right now?

Well, in this new Congress, under the Democratic leadership of Speaker PELOSI, that type of behavior has come to an end. As we debate, as we go over all of the proposals, as we vet every line, every comma, every period of what is being proposed for legislation, I assure you that the members of the Congressional Black Caucus, under the leadership of Congresswoman CAROLYN KILPATRICK, will keep their finger on the pulse of what is happening and what has happened and what must never be allowed to happen again within our communities, within communities across this Nation that have had to bear the brunt of this feeding frenzy, have had to shoulder the burden of economic crisis way before Wall Street met its day of reckoning.

We will be there to make sure that there is some parity for those who are struggling each month to keep up with that mortgage payment, for those who are concerned about how to juggle the mortgage payment with the home heating oil payment and the health care costs, for those who are still caught in the credit crunch and their child's tuition bill is coming up, to those who are just trying to get by and do their part as Americans. You are not forgotten in this new-direction Congress.

We stand with you, as a part of you, as we struggle through this debacle in our financial sector. I assure you, at the end of the day, we will come out of this process much stronger, much wiser, and certainly understanding

that the days of free-for-all feeding frenzy, unregulated financial markets in the United States are over. By extension, we will be setting an example for how business will be conducted around the world.

I thank you for being a wonderful Speaker pro tempore and for being there as we have our conversations during our CBC hour to open eyes and ears about the challenge that we will face this week. We will face it with all courage and dignity.

THE FINANCIAL CRISIS

The SPEAKER pro tempore (Mr. WILSON of Ohio). Under the Speaker's announced policy of January 18, 2007, the gentleman from Ohio (Mr. LATTA) is recognized for 60 minutes as the designee of the minority leader.

Mr. LATTA. Mr. Speaker, I appreciate this opportunity to control this hour. A lot has happened, not only this week, but in the last several weeks here in this great country of ours.

We have been talking a lot today about what's been happening on the financial markets, but we always have to worry about what's happening on the energy markets. As you know, we have all seen those commercials on television from T. Boone Pickens talking about that \$700 billion transfer of wealth out of this country in 1 year's time. When we are talking right now about what is happening in the financial markets, we are talking about maybe a bailout of \$700 billion.

Not only are those two numbers both very, very high, but they are also the same. We can't watch those American dollars flowing out of the country that should be staying right here. As we stand here today, we have about a \$9.6 trillion national debt, of which \$2.6 trillion of that is owned by foreign governments.

One of the things that I have been saying for a good long period of time is what happens when they start dictating to the United States. I think one of the most interesting stories that did not get a lot of play, but was on the front page of the Washington Times during the Fannie Mae and Freddie Mac bailout, is that when the bailout was being worked out, the foreign banks out there, and creditors, had about \$1 trillion of Fannie and Freddie. They are secured, but we have a lot of American banks out there that didn't have that preferential treatment, and they are on pennies on the dollar.

But, again, as one of the things that was stated in that article, which I again found very, very interesting, it could be one of the first times since maybe the Revolutionary War when a foreign power is actually telling the United States what it is going to be doing. I think these are very, very tough times, but they are also times for action that we have to be doing in this country.

At this time, I would like to recognize the gentlelady from North Caro-

lina (Ms. FOXX) who has been a great advocate. I would like to yield to her at this time.

Ms. FOXX. Well, I thank you, Congressman, my colleague from Ohio (Mr. LATTA), for yielding time and for stepping in to lead this hour this evening, because we have many of our colleagues who are tied up in meetings right now dealing with the issues that we have been talking about.

I heard a little bit of the comments that were made by our colleague from New York (Ms. CLARKE) in the previous leadership hour. I have great respect and affection for her, but she made a couple of comments that I have a concern about that I thought it might be useful to make a couple of comments about. We will try to tie the issue of energy in with the issue of the financial situation that we are facing here in the same way.

She said a comment that we don't have enough regulations on the banks and that we need more regulations. I think that most Americans now understand that one of the major problems that we have in our country with jobs going overseas is the impact of too many government regulations.

We are, in many ways, regulating ourselves out of business in this country. We may have wrong regulations for banks and investment firms, may not have the right regulations for them, but I don't think it's that we don't have enough regulations for them. Again, in many ways, we have too many regulations.

I was interested in Congressman LATTA's comments about the fact that we had, we know, in talking about the energy issues, and our good friend T. Boone Pickens has done a lot to raise the awareness of the American people by talking about the fact that we transfer out of this country every year \$700 billion, the largest transfer of wealth ever in the history of any society. It is a bit ironic that the figure that has been shared with us, that is needed for this proposed bailout, various companies on Wall Street, is \$700 billion.

You know, it would be really simple if this Democratic Congress had paid attention to what Republicans have been saying for the last 20 months and, say, let us start developing more American-made energy. Let us stop transferring all of that money out of this country to foreign countries, many of which don't like us, many of which are doing everything they can to destroy us. Keep that money here and let us create jobs and wealth in this country. It would be a marvelous thing for us to be able to do.

The price of oil spiked up again today, the largest increase, I believe, in 1 day that's ever occurred. Well, we can have energy independence in this country. I am convinced of it, most people are convinced of it. Never before have we seen ourselves so dependent on other nations, and there is no reason for it.

What we have to do, though, is use the wonderful resources that the good Lord has given us in this country and use those to our advantage. Many of us have talked over and over again, in the last 2 months, particularly, about the opportunity to drill in ANWR, in the Arctic National Wildlife Refuge.

In fact, I don't think too many people have mentioned that when that refuge was set aside, there was specifically written into the bill that set it aside language that said part of that property would be used for drilling in the future.

□ 2030

That is simply being ignored by the Democratic majority in this House.

The other place that we need to be drilling is on the Outer Continental Shelf. Every other nation in the world that has oil and gas resources along their coastlines is tapping those resources for their benefit. We are the only Nation in the world where it is locked up.

Now next week the moratorium, the congressional moratorium will expire, and with that we have the opportunity to make that property available for leasing. It would result in huge amounts of money for this country, coming into this country. It is projected to be \$2.3 trillion.

Now I happen to believe that some of that should be shared with the States, but all of that money can come into this country and we would be able to change our balance of payments once we are able to use those resources and change the whole way we operate in this country.

In terms of the bill that is being worked on to be presented to us today or tomorrow, I have some grave concerns about the fact that people are saying there are no alternatives. There are lots of alternatives to simply writing a blank check to the Treasury Department. We could again be cutting the Federal budget. We could be doing lots of other things. We could arrange to bring in the private sector to help with this transition. I know many people think the situation is really dire, but part of our problem is that our colleagues who have preceded us in this Congress in the last several years, many of them have thought that the Federal Government should be doing everything, and we have gotten ourselves into a bind by trying to fund everything in the world out of Washington. If we would pay attention to the Constitution that we are sworn to uphold in this body, then we would narrow dramatically what our scope of practice is here.

Last week I spoke on the floor about a bill that we were dealing with that was funding education programs. As I have said on the floor many, many times, it doesn't say anywhere in the Constitution that funding education is a function of the Federal Government. So I believe that we could solve most of our financial crises, and I have to believe we probably are in a crisis right