

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.)

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

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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 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 Wisconsin (Mr. KAGEN) is recognized for 5 minutes.

(Mr. KAGEN 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. MCHENRY) is recognized for 5 minutes.

(Mr. MCHENRY 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 Washington (Mr. McDERMOTT) is recognized for 5 minutes.

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

HUMAN TRAFFICKING ON THE NORTHWEST BORDER

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

Mr. SALI. Madam Speaker, the country we live in is far too big to see all at once, and many of us have only heard stories of some of its subcultures, hidden treasures, and the uniqueness of thousands of local communities.

One world that some of us never see is the dark world of human trafficking. Because trafficked persons look just like the rest of us, it is a difficult world to perceive. And yet, this underground global economy in persons is thought to involve as much as \$132 billion a year, with profits from its trade reaching over \$200 billion.

This sordid culture, to which most of us are happily blind, crosses all national boundaries, including our own. Perhaps the most widely recognized

form is sex trafficking of women into prostitution, but we must also recognize the trafficking of migrant workers, who are often deceived into leaving their homelands into forced, brutal labor without travel documents that give them the identity with which to escape. There is also the forcible use of children to beg for street gangs or work in dangerous conditions, and what I think is the most disgusting, the recent trend of Western tourists engaging in child sex tourism, traveling the world looking for children who are being held in prostitution by their captors.

We like to think that we live in a modern and modernizing world, where barbarism is merely a bad memory. Yet, raw evil persists in our time. Ignoring human trafficking only pulls a shade over an already dark practice. But ignoring it makes it no less real and no less horrifying.

The State Department's 2008 Trafficking in Human Persons Report reveals the truth, but sickens us at the same time. The report quotes one self-justifying American schoolteacher about his child sex tourism, "I'm helping them financially. If they don't have sex with me, they may not have enough food. If someone has a problem with me doing this, let UNICEF feed them."

America is not great because we are perfect or because we refuse to accept injustice when we see it. Child soldiers, 8-year old prostitutes, domestic slavery, this is all real, and you can read about it in the State Department's report. The problem does not go away when we close our eyes, so it is imperative that we open them and act on this problem.

It's easy to think of this as a Third World problem. The numbers and the brutality are best gazed at from a distance, when we can shake our heads in horror and promptly change the channel to a different station. However, according to the State Department: The U.S. is a destination country for thousands of men, women, and children trafficked largely from East Asia, Mexico, and Central America for the purposes of labor and sexual exploitation. The Trafficking Victims Prevention Act of 2000 has been a great step forward in this fight, its purpose being to punish traffickers, protect victims, and prevent future trafficking.

While the number of prosecutions has gone up and steps clearly have been taken to help the victims, we can make a significant move to prevent trafficking by ensuring that the U.S. is not a destination country. One way to further this goal is to create a Northwest Trafficking Task Force to coordinate these efforts on our Northwestern border, running across Washington, Idaho, and Montana. This thousand-mile border is often patrolled merely on horseback. Without adequate resources, we cannot effectively fight this problem; we must catch it at the border.

We are morally responsible to ensure the God-given dignities of life, liberty,

and the pursuit of happiness in this country. We must have the vigilance to keep watch over these freedoms so that no form of human bondage is accepted or ignored.

I humbly ask my colleagues to open their eyes, consider these facts, and stand with me against this horror of human trafficking here at home.

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 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 New Jersey (Mr. HOLT) is recognized for 5 minutes.

(Mr. HOLT 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 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.)

ALTERNATIVE TO WALL STREET BAILOUT

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

Mr. MCCOTTER. Madam Speaker, before I was elected to Congress, we used to hear—and unfortunately with some justification—that when faced with a crisis, Members of Congress would invariably soil themselves, throw money at the problem, and hoped it went away. Unfortunately, in these dysfunctional economic times, we find that this process has continued. As American families face a potential meltdown of the financial sector, we have seen what I believe to be an inappropriate response starting with this administration.

From the time that we were informed that a potential financial meltdown was going to occur, the separate, equal branch of governance, which is the

United States Congress, was told that we had but one alternative, and that if we did not pass it quickly in the time period specified by the executive branch, that our economy would be severely damaged.

It has been my opinion that we were elected to serve in this Congress by the sovereign people of the United States, to make important decisions on their behalf, to do it with our due diligence and our devotion that it's due, and to come up with a positive solution to their situation.

Last night, as I watched the President of the United States explain his view of this, I was struck by the fact that again we were told that if we did not give unlimited amounts of money, up to \$700 billion, and unlimited powers—with lack of adequate oversight—to the executive branch, that we were failing in our due diligence and responsibilities to the American people.

I heard the President of the United States say that if we do not support what they put forward as the only alternative to this crisis, we do not understand the need to act. That statement is false. We understand the need to act.

We heard from the President of the United States that if we did not support his plan and the Paulson plan, that we did not care about American families. That statement is false. We care very much about American families.

What we did not hear was a recognition that a three-page document that gives to the Treasury Secretary and the Chairman of the Federal Reserve unlimited powers—the likes of which Stalin and Mao killed people for—was not an acceptable response to give to this separate, equal branch of government.

Today, we are told that House Republicans are standing in the way of a \$700 billion use of your tax dollars to bail out the very people who caused this problem. Guilty as charged. House Republicans believe that there is an alternative.

The administration tells us that their first, last, only resort is to go to the taxpayers and bail out Wall Street. We fundamentally disagree with this. What we believe should happen is Wall Street should bail out Wall Street. House Republicans believe that the toxic assets that are clogging up our economy should first attempt to be recapitalized by the people sitting on the sidelines with their money waiting for you, the taxpayer, to be fleeced and put it in so they are confident that the market will work. This is not making the market work.

I heard from the President last night that the free market has failed.

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The free market has not failed. The free market is correcting from the bad deeds of actors within that market. It is the government that is trying to interfere in the market for political purposes.

We cannot reinflate the bubble to save the American economy. What we need to do is be responsible and lay forward a private recapitalization plan with appropriate backstop that first and foremost protects the innocent, namely the taxpayers. The people who on Main Street invested and saved and had good credit their entire lives should not be asked to go back in and help the cowboy capitalists who shot themselves in the foot. House Republicans understand this. Just as we understand the need to act quickly, we also understand the need to act appropriately.

This is not an attempt to engage in an argument with the President. I have admiration for the President. And I have supported the President, as have House Republicans, when he has been correct. But he is in error now. House Republicans stood and supported the Petraeus surge so our troops would have victory in Iraq. Today House Republicans oppose the Paulson splurge so that we can have prosperity in America over the long run. And make no mistake. We understand the gravity of this situation. But we will not engage in a rush to judgment that destroys the possibilities of a free market and prosperity for American families for decades to come.

We will not walk out of this room after a forced vote, waving a piece of paper in our hands and claiming “peace in our time.” We will do the job we were entrusted. And we will get the job done.

IT IS IMPRUDENT FOR CONGRESS TO RUSH TO BAIL OUT WALL STREET

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

Mr. GARRETT of New Jersey. As the gentleman just explained, the dilemma that we are in and where the proper recourse or result should go to at this point and what the solution that has been presented us is not the correct solution, and that alternatives such as allowing the free market to develop, lowering taxes on capital gains and the like, allowing the private sector to develop an alternative, which has already occurred through the RSC and other forms here in the Republican Conference, is perhaps the better avenue to pursue.

Let me, though, take the next 3 or 4 minutes to answer the question that many in the American public are asking tonight, how in the world did we ever get here?

Well, many financial analysts will tell you that the underpinnings of the problems that we are facing today in the credit markets on Wall Street that are affecting the homeowners on Main Street go back a number of years and apply to the situation with the GSEs, that is Fannie Mae and Freddie Mac. And the suggestion is that had they

been appropriately regulated over the years, we would not be in this severe financial crisis that we are in today.

So who was raising those red flags years ago to say what should have been done? Well if we go back, let's see, 1, 2, 3, 4, 5, 6 years to 2001, in fact it was the Bush administration that began raising some red flags. In 2002 in their budget request they declared that the size of Fannie and Freddie is “a potential problem” and could cause financial trouble and either one of them could cause strong repercussions in the financial markets. That was back in 2002.

2003 is when I joined Congress and served on the Financial Services Committee. I immediately began to call for a step-up in regulations of Fannie and Freddie. The White House was at the same time doing the same thing. They said in 2003, the White House was warning about Fannie Mae and Freddie Mac that they needed an upgrade in what we call world-class regulation to address something called systemic risk, a risk that could spread beyond just the housing sector. In the fall of 2003 the administration was pushing Congress hard to create a new Federal agency to regulate and to supervise both Fannie and Freddie, these government-sponsored entities. They and I and other Members from our side of the aisle said that we need a strong world-class regulator to oversee their operations of their safety and soundness.

As a matter of fact, I recall a hearing when the then-Secretary of the Treasury, Secretary Snow, came in. And he made that point as well. But I also remember him getting a lot of pushback from both sides of the aisle, but also from the gentleman who is now the chairman of the Financial Services Committee. It was back on September 25, 2003, when he was in the minority at that time, but he is now the chairman of the Financial Services Committee today, Barney Frank said “there are people in the country who are prepared to lend money to Fannie Mae and Freddie Mac at less interest rates than they might get elsewhere. I thank those people for doing that. I must tell them that I hope that they are not doing that on the assumption that if things go bad, I or my colleagues will bail them out. We will not.”

Well the legislation that has come through in July did exactly that, bailed them out to the tune of over \$200 billion. The legislation that the gentleman who just came before me just spoke about will be bailing out the financial industry to the tune of \$700 billion.

Mr. FRANK goes on to say, “I think it is clear that Fannie Mae and Freddie Mac are sufficiently secure so they are in no great danger.”

Well of course we see what has happened to them. We just had a hearing on them today. And they are now in conservatorship. They were in great danger. They were in danger of systemic risk, which has eventually brought them down.