

give things to people that is largesse from the government to individuals rather than understanding the genius of our system, which is the opportunity for people to rise to the best of their abilities to become as good as God created them to be, and that there is no greater social welfare program or social program than a job. That's a cliché at times but it is, in fact, an important statement.

The point that Newt Gingrich was making was that we should not revel in the fact that we have more people on food stamps than ever before, even though that has been promoted by some as evidence of our compassion. What Mr. Gingrich suggested is we ought not to be beating our breasts in pride about our compassion. We ought to be looking inward about our inability to create opportunity for our fellow men and women in this society. The point he made is that it is far better that we create an economic environment in which men and women, young and old, have an opportunity to experience the satisfaction of a job well done.

As Newt Gingrich said, his daughter's first job was as a janitor in their Baptist church in Georgia, and he said while that was not to which she aspired as a long-term goal, it was, in fact, the launching point of her job experience. Too often we have knocked out the lower rungs of the ladder of economic success in a manner which has created frustration, disappointment, and a lack of confidence in our young people today.

That was the point that former Speaker Gingrich made. It is a point well made. It is a point that we should contemplate. It is a point that we should recognize and place within our debate today. And to mischaracterize it as somehow having an underlying racial meaning demeans the level of debate on this floor, the level of debate in the Presidential campaigns, and frankly, the reality that confronts too many of our people today.

I represent a district that has higher unemployment than the national average, higher unemployment than the statewide average in California, which has for too long a period of time been, I think, the third worst unemployment rate in the country. We need to work harder on creating an economic environment in which the uncertainty imposed by the government is reduced so that those men and women of genius and hard work and inspiration and creativity can continue to make this the most vibrant, robust, economic engine in the history of the world.

That is the way that we help all in our society, men and women, black and white, Hispanic, people of every color, not by questioning motivations but by, in fact, facing the truth.

EVEN WITH WARNING SIGNS, BERNANKE FAILED TO SOUND THE ALARM

The SPEAKER pro tempore. The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

Mr. STEARNS. Mr. Speaker, our economy today continues to suffer after shocks from the biggest financial meltdown since the Great Depression. Today we understand a series of mistakes were made in the past decade which led to our current financial crisis.

Now the Financial Crisis Inquiry Commission, FCIC, was given the task to investigate the causes of the meltdown of our financial institutions. Though the commission was unsuccessful in reaching a certain consensus of the exact cause, they did, however, conclude that the financial crisis was avoidable and was the result of the following factors, an explosion in risky subprime lending, an unsustainable rise in housing prices, widespread reports of egregious and predatory lending practices, dramatic increases in household mortgage debt, and exponential growth in financial firms' trading activities, unregulated derivatives, and short-term repo lending markets, just among a few of the red flags. Surely with all those factors Chairman Bernanke should have been more concerned.

In fact, the title of my speech this morning is, "Even with Warning Signs, Bernanke Failed to Sound the Alarm." In fact, he was warned by members of the Federal Reserve Board often. The release of transcripts from the Federal Open Market Committee, FOMC, meetings in 2006 shed light on the critical failures of the Federal Reserve and Mr. Bernanke to act when the warning signs were clear and present. The first meeting, however, was spent praising Bernanke's predecessor, outgoing Federal Chairman Alan Greenspan. But the FCIC later concluded that 30 years of deregulation and reliance on self-regulation by financial institutions that was championed by Mr. Greenspan were the factors in devastating the stability of our Nation's market, stripping away safeguards that simply could have avoided this catastrophe.

Now in a later meeting on May 10, 2006, of the FOMC, then Fed Governor Susan Bies was one of the earliest to raise concern over the Nation's mortgage sector, which offered exotic loans that increased household debt over time instead of decreasing it. Now, specifically, her concerns stem from the absence of home equity growth, and the consumer's ability to absorb the uncertainties of the housing market. Listen to Mr. Bernanke's response when she made her declaration. "So far we are seeing, at worst, an orderly decline in the housing market; but there is still, I think, a lot to be seen as to whether the housing market will decline slowly or more quickly."

Yet again another colleague, then Fed Vice Chairwoman Janet Yellen,

warns of the possibility of "an unwellcome housing slump." But in the meeting of August 8, 2006, Chairman Bernanke remains hopeful in his prediction for a "soft landing" for our economy. Need I say the 2008 Great Recession was not a soft landing? In the September meeting, the Feds still remained oblivious to the detrimental effects in the housing market that will affect the rest of the economy.

In the last meeting, Mr. Speaker, of the FOMC, Fed Governor Bies again, in December 2006, stated once again her concern of the housing market, stating that mortgages securitized in the past few years warrants additional risk than the investors have been focusing on. Despite the concerns that reported increased difficulty getting mortgages in their region, as well as a noticeable cool down in housing activity, Mr. Bernanke fails to see the warning signs and, again, predicts a soft landing on December 12, 2006, once again. This was his second statement of a soft landing in the same year.

It was the failure of Mr. Bernanke to not pursue possible vulnerabilities and assuring us to the contrary that attributed to the economic crisis that we faced. On February 15, 2007, he stated "Overall economic prospects for households remains good. The labor market is expected to stay healthy. And real incomes should continue to rise. The business sector remains in excellent financial condition." Again, on March 28, 2007, he stated, "The impact on the broader economy and financial markets of the problems in the subprime markets seems likely to be contained." Even on May 17, 2007, despite concerns raised by Fed Governor Bies again, he said, "We do not expect significant spillovers from the subprime market to the rest of the economy or to the financial system." How wrong he was. But all of the dire warning signs were there.

At Bernanke's confirmation hearing in the Senate Banking Committee, he conceded to the notion that the central bank "should have done more." That's an understatement. The Fed had the authority and necessary power to prevent further abuses happening in the financial industry, but simply chose to ignore critical warning signs. Bernanke agrees he missed the warning signs, but thinks he can prevent a further crisis. Mr. Speaker, I'm not sure that he, being Chairman, is going to prevent a further crisis and, frankly, I'm sure he failed to sound the alarm of the 2008 Great Recession.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until noon today.

Accordingly (at 11 o'clock and 30 minutes a.m.), the House stood in recess until noon.

□ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. YODER) at noon.

PRAYER

The Chaplain, the Reverend Patrick J. Conroy, offered the following prayer: Loving and Gracious God, we give You thanks for giving us another day.

We ask today that You bless the Members of this assembly, to be the best and the most faithful servants of the people they serve. Purify their intentions, that they will say what they believe and act consistent with their words.

Help them, indeed help us all, to be honest with themselves, so that they will be concerned not only with how their words and deeds are weighed by others, but also with how their words and deeds affect the lives of those in need and those who look to them for support, help, strength, and leadership.

May all that is done this day in the people's House be for Your greater honor and glory. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. TONKO. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TONKO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from California (Ms. HAHN) come forward and lead the House in the Pledge of Allegiance.

Ms. HAHN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain up to 15 requests

for 1-minute speeches on each side of the aisle.

KEYSTONE XL

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, before Congress left Washington in December, we asked the President a simple question: Will he stop blocking the Keystone XL pipeline?

Congress established laws to govern pipeline approval; the State Department published regulations; and typically, approval takes 18 to 24 months. However, Keystone has been sitting on the shelf for more than 40 months now. The President, ignoring standard procedures, ordered duplicative environmental reviews that would extend the approval process to more than 52 months.

Is this because Keystone is unprecedented? No. TransCanada has already built and operates a pipeline that crosses the U.S. border. Additionally, thousands of pipelines already crisscross the proposed route.

The difference is the political pressure brought by extreme environmental groups. Politics is blocking tens of thousands of new jobs. Politics is blocking a reliable new source of energy. It's time to stop letting politics stand in the way of a project that could help grow our economy.

STREAMLINING GOVERNMENT

(Ms. HOCHUL asked and was given permission to address the House for 1 minute.)

Ms. HOCHUL. Mr. Speaker, over the last few weeks, I have traveled constantly throughout my 26th District of New York, meeting business owners and talking to them about the challenges that they are facing in this particular economic climate. Right now, they are frustrated with the various levels of government they have to go through to get an answer out of their Federal Government. It has become so burdensome that there are actually 80 different economic development agencies, four different departments, and in fact, there are 47 different job training programs. These businesses have enough on their minds and have enough challenges before them without having to solve this problem.

Fortunately, the President has come up with a plan. Last week, President Obama proposed consolidating six various entities into one, a one-stop shop for businesses, for trade so that they can get their questions answered without having complications. This is something I support, my local Chambers of Commerce support, and that's why I'm calling on this body: Let's take up this plan. Let's give the people in my district—a Republican district, I might add—what they're looking for. Streamline our government, reduce the

cost of government, save taxpayer dollars, a one-stop shop for our businesses; and once and for all, let's demonstrate to the American people that we have the capability to work together.

NEW YEAR, NEW OPPORTUNITIES FOR JOBS

(Mr. WILSON of South Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILSON of South Carolina. Mr. Speaker, in early 2009, the President assured the Nation that with the passage of his stimulus bill, which has failed, the borrowing and spending would reduce unemployment and that it would not exceed 8 percent. January marks the 35th straight month that the Nation's unemployment rate has remained above 8 percent.

Last year, House Republicans followed through with their commitment to the American people and passed 28 job-creating bills, most with bipartisan support. All of these pieces of legislation remain stalled in the liberal-controlled Senate, where bills are denied debate or a vote.

Because of the gridlock in the Senate and the President's failed policies, the American people are losing faith in government officials. As we begin a new year, I hope the Senate will take immediate action for the American people by passing legislation that promotes jobs.

In conclusion, God bless our troops, and we will never forget September 11th in the global war on terrorism.

CONGRESS AND THE ECONOMY

(Ms. CHU asked and was given permission to address the House for 1 minute.)

Ms. CHU. I came here today wanting to wish everybody a happy new year. But when I came, I found out that our Republican Congress wanted to give everybody an unhappy old year, continuing last year's agenda of no jobs for you. They ended last year not with a bang, but a whimper, as they walked out on a deal to stop a tax hike on the middle class right before the holidays. Even though Senate Republicans had agreed to a compromise, House Republicans were willing to abandon you, just as you were trying to figure out how to pay for gifts for your children.

They were serious about letting the payroll tax and unemployment benefits expire. Thank goodness you expressed your outrage and they were forced to change their position. They gave a 2-month extension. Now in just over a month, they'll be faced with the same choice: to raise taxes for the middle class or finally work together with Democrats to give real relief to Americans like you. Make sure they do the right thing.