an individual's health records. And the public availability of underlying data is not relevant to the quality of a study. Publication of data sets is not required by peer review journals and such publication is not a common practice in the scientific community.

EPA cannot require scientists to give up their private property when they publish their peer-reviewed studies, so in many cases this amendment would block EPA from using relevant, high-quality studies. This policy has long been on the industry's wish list, and we just have to make sure that we don't make it possible for them to put it on the books as a law. This is not because of the data quality concerns or transparency concerns, but because all of these studies conclusively show that air pollution kills people, which is the very subject they do not want to be able to debate.

This is a very dangerous amendment, and I urge my colleagues to vote ''no.''

I yield back the balance of my time.

Mr. HARRIS. Mr. Chairman, what's there to hide? As I said, if a regulation is justified, why should the government hide data from the public in their justification of a regulation?

Mr. Chairman, I've done scientific studies. I've been the peer reviewer on scientific studies. If I have a question about data, I ask for it and I get it and I review it myself. This is the same access the public should have.

Nobody wants dirty air, nobody wants dirty water; but if we're going to pass job-killing regulations, we better be sure that that is sound science it's based on. That's what this amendment does, and I urge support.

I yield back the balance of my time.

The Acting CHAIR. The question is on the amendment offered by the gentleman from Maryland (Mr. HARRIS).

The amendment was agreed to.

Mr. HARRIS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. POMPEO) having assumed the chair, Mr. WOODALL, Acting Chair of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 3409) to limit the authority of the Secretary of the Interior to issue regulations before December 31, 2013, under the Surface Mining Control and Reclamation Act of 1977, had come to no resolution thereon.

FEDERAL RESERVE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the gentleman from Georgia (Mr. WOODALL) is recognized for 60 minutes as the designee of the majority leader.

Mr. WOODALL. Mr. Speaker, I appreciate you coming in tonight and allowing me to have the time.

I'm going to get a little outside of my comfort zone tonight, Mr. Speaker. You talk about the 20 months you and I have been on the job here in this body. We've talked a lot about tax policy. And I feel like we're going to have a conversation. I think, as we stand in this Chamber a year from today, we will have signed fundamental tax reform into law. I'm excited about seeing this body do that.

I think about health care reform. As we stand here today, I feel like this time next year, we will have much more freedom in our health care system. I feel like we'll have skin in the game in our health care system. That's a conversation that America has had and will continue to have.

But a conversation America has not been having, Mr. Speaker, is one about the Federal Reserve and what the Federal Reserve is doing to help with jobs and the economy. We talk about that here on the floor of the House on a regular basis: What are we doing to help jobs and the economy?

As you know, Mr. Speaker, we have about 30 bills sitting over in the Senate that we've passed here in the House that would stimulate the economy, that would help American workers get back to work, but the Senate has failed to act. And in the absence of action by the Senate and in the absence of being able to move legislation to the President's desk, the economy continues to flounder.

□ 1930

The President has orchestrated about $800 billion worth of stimulus programs, but that has not gotten the economy back on track. Not only did we not get unemployment down, it continued to rise under that stimulus program. And so what we have, and so if you folks in America talk about it, we have an independent Federal Reserve that engages in monetary policy, and these days, in economic stimulation.

I want to point, Mr. Speaker, to an article by—well, I'll call him Dr. Phil Gramm. I mean, in fact, he's Senator Phil Gramm, from the great State of Texas, but he was born in the great State of Georgia and got his Ph.D. from the University of Georgia, his Ph.D. in economics. And he had an article in The Wall Street Journal just this past week, and I want to tell you what it said.

Phil Gramm writes this, Senator Gramm writes this, Dr. Gramm writes this:

> Since mid-September of 2008, the Federal Reserve balance sheet has grown to $2.8 trillion, from $924 billion, as it purchased massive amounts of U.S. Treasury's and mortgage-backed securities. To finance these purchases, the Fed increased currency and bank reserves, base money. That kind of monetary expansion would normally be a harbinger of inflation. However, the bank's holding the excess reserves, rather than lending them out, and with velocity, the rate with which money turns over, generating national income at a 50-year low and falling, the inflation rate has stayed close to the Fed's 2 percent target.

Now, Mr. Speaker, I work hard. I study hard. I get through paragraph one of Dr. Gramm's editorial, I'm already getting confused because we don't spend enough time talking about velocity of the money supply. We don't spend enough time talking about what the Federal Reserve's doing in terms of purchasing the bonds. And we don't spend enough time talking about monetary expansion.

But let me get into some terms that we do talk about more, Mr. Speaker. The second paragraph of the editorial. While the Fed considered its previous rounds of easing, QE1, QE2 and Operation Twist, the argument was consistently made that the cost of such actions was low because inflation was nowhere on the horizon.

That same argument is now being made as the central bank contemplates QE3 during the Federal open market committee meetings on Wednesday and Thursday. Inflation is not, however, the only cost of these unconventional monetary interventions. As investors try to predict the timing and effect of Fed policy on financial markets and on the economy, monetary policy adds to the climate of economic uncertainty and status already caused by current fiscal policy. There will be even greater costs when the economy begins to grow, and the Fed, to prevent inflation, has to reverse course and sell bonds and securities to the public.

Now, I'm not going to say that's still perfectly clear, Mr. Speaker. But I am going to say, we're starting to talk about QE1, QE2, now QE3 because that open market committee met and decided to proceed with QE3, and Operation Twist. Now what are these terms, and why don't we talk about them more often?

Let me just go briefly, Mr. Speaker, to the Federal Reserve Act. Just to be clear, section 2(a), monetary policy objectives, this is what, we, the Congress, Mr. Speaker, have charged the Federal Reserve with. And I'll quote from the statute:

> The Board of Governors of the Federal Reserve System and the Federal Open Market Committee, shall maintain long-run growth of the monetary and credit aggregates commensurate with the economy's long-run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates.

Now, when folks want to know what it is the Federal Reserve does, this is the congressional mandate: increase production so as to promote efficiently—effectively, pardon me—the goals of maximum employment, stable prices, and moderate long-term interest rates.

Now, Mr. Speaker, I'm not a Ph.D. economist, but I've taken a few economics classes over the years. And what I would tell you is I have always imagined that full employment and stable prices and moderate long-term interest rates are often in conflict with one another.

You know, when you want to stimulate the economy, you try to lower interest rates so folks borrow more money, so folks create more jobs. You want to put more money in the hands of our small business owners, our job creators, want to create jobs with other people's money when interest rates are low so that we can bring unemployment low.

When interest rates go higher, folks borrow less money. When they borrow less money, perhaps unemployment goes up.

These are conflicting goals, but we've tasked the Federal Reserve with both of those. And I want you to see, Mr. Speaker, what that brings us to today.

I've got a chart here, and you're not going to be able to see it from where you stand, but it's the last 5 years of the Federal Reserve balance sheet. And I'd be interested to take a poll here, Mr. Speaker, folks back in their office watching on TV: how many folks have taken a look at the Federal Reserve's balance sheet? I don't mean take a look in the last 10 days, I mean who's taken a look in the last quarter?

Maybe in calendar year 2012, Mr. Speaker. How many folks have taken a look at the balance sheet in 2012? Maybe not even 2012. What about this session of Congress? What about this new decade? How many folks have taken a look at the Federal Reserve balance sheet? Because what you see at the Federal Reserve balance sheet, Mr. Speaker, is a dramatic change.

You're not going to be able to see these numbers here, but they run from zero on the balance sheet up to $1 trillion, up to $2 trillion, up to $3 trillion. You know, we throw trillions around in this town, Mr. Speaker, like they're nothing. A trillion's a big number. It's a million millions.

And historically, if you go back, and you see it here on the chart, 2007, 2008, going back into 2006, in general, the Federal Reserve, in order to keep liquidity in the economic system, in order to make sure that our financial system doesn't have fits and starts, kind of lubricates that system, makes sure everything's moving at the proper pace, keeps just under about $1 trillion on its balance sheet, the debt that it buys, money that it's lending.

It will buy Treasurys to keep that market fluid. It has a window that it will lend to banks to keep that market fluid.

And what we see here, represented by this beige line here, is that going back into 2007 and 2008, most of that balance sheet was comprised of this traditional activity, with a little bit of lending to financial institutions.

Now, you remember, Mr. Speaker, when folks got so scared back in 2008 and we started to talk about TARP and the bank bailouts, we were going into the fall of that year and wondering if fiscal calamity was on the horizon. And this Congress passed, before you and I got here, measures to expand our aid to financial institutions, to increase that lubrication to make sure that dollars continued to flow.

And so you see it represented here on this gray line, Mr. Speaker, as the Federal Reserve's balance sheet expanded with loans to banking institutions.

Now, I don't mean expanded a little. Traditionally we're here, just about $800 billion. Within the period of one quarter, we more than doubled that to $2.2 trillion, almost tripled it.

Now, hear that again. This is an institution that exists to keep markets fluid, to prevent hiccups in our financial process, to make sure, again, full employment, long-term interest rates are stable, price stability. Tripled its balance sheet almost overnight in the name of protecting us from an economic collapse.

And the balance sheet has not just stayed there since the fall of 2008, it's grown even larger. But the components have begun to change, and that's why it's important to begin this conversation, Mr. Speaker. Again, I'm not a Ph.D. economist. I don't claim to have all the answers. But what I do claim to know is, we're not spending enough time, as a Nation, talking about the role of the Federal Reserve.

You know, the Federal Reserve's an independent agency. It's supposed to make decisions on its own. Whenever someone complains to me, Mr. Speaker, about what's going on with the Federal Reserve, I say, I understand that you have some concerns with the Federal Reserve, but the only thing worse than an independent Fed Chairman making these decisions would be a Republican Party chairman and a Democratic Party chairman making these decisions. I mean, we've made it outside of Congress to keep partisanship out of it, to try to do the best economic thing instead of the best political thing.

But this is what's happened on our watch. The Fed has tripled the size of its balance sheet. First it was loans to bank, represented here by gray. Then it turned to liquidity in other credit markets, demonstrated by this blue, and then it turned to mortgage-backed securities and long-term American debt.

Now what does that mean?

□ 1940

That means that the Fed decided that no one wanted to buy mortgage-backed securities in this country and that, in the collapse of Fannie Mae and Freddie Mac, uncertainty took over in the marketplace, and it began to slow and, in fact, began to bind up as those mortgage-backed securities either began to fail or ceased to move, and so they began to buy them in record numbers represented here. It started out as just a little. Now it's over $1 trillion in mortgage-backed securities going through 2010. Couple that then with long-term bond purchases—American debt.

Here we have an American banking institution, the Federal Reserve, buying American debt. Now, don't think too hard about that. Don't think too hard about what it means when the folks who control your money supply begin to buy your debt so that you begin to pay your interest to the Federal Reserve, which then returns all of its profits back to the government. You begin to see you're taking it out of your left pocket and you're putting it into your right pocket—taxing the one hand and paying the other hand. It gets circular in a hurry, and it puts us, as a Nation, on the hook for these actions.

Again, in 5 years—2007 to 2012—and really, the fall of 2008 to 2012—4 years, 48 months—we tripled the size of the Federal Reserve's balance sheet and changed its composition from what has historically been traditional security holdings and loans to banking institutions to making those the two smallest parts of the chart and making long-term debt and mortgage-backed securities the largest part of the chart. That's what we've heard from the Federal Open Market Committee, Mr. Speaker, is that we're going to continue that program to the tune of about $40 billion a month.

These aren't actions that have no consequences. I'm looking here at yesterday's Wall Street Journal, and the headline is this: "Governments Brace for Currency Onslaught Ahead of QE3." Again, "QE" stands for "quantitative easing." It's talking about pumping more liquidity into the marketplace—trying to keep the lubrication going in the American economy—and it's the expansion of the balance sheet. We have some charts that show what happened after QE1 and what happened after QE2 and Operation Twist. This was in yesterday's Wall Street Journal. It was not an editorial, but it was from their reporting pages.

The Wall Street Journal says this:

> In the previous round of Fed quantitative easing, which was dubbed QE2, the dollar weakened significantly. In the 13 months from June 2010—when expectations of more Fed stimulus first began to rise—until the $600 billion bond-buying program wound up the following summer, the Wall Street Journal Dollar Index—a measure of the dollar's value against a basket of major currencies—lost 18 percent of its value.

I just want you to think about that for a moment. We're here arguing about what's going to happen with the fiscal cliff, and, of course, the House has acted to prevent taxes from rising on all American families come January. The Senate has not yet acted. We're trying to push that bill through the Senate, and we're trying to get the President on board. We're trying to prevent tax increases—a major part of what we do in this body and a major focus of the American taxpayer.

All you have to do is to go back to December 2010, which was when Speaker NANCY PELOSI was running this U.S. House, when Majority Leader HARRY REID was running the United States Senate, when President Obama was sitting in the White House, and when a big election had just been held in November of 2010. That election brought 99 new freshmen to this body. It turned over a tremendous number of Members, which was the largest number we'd seen in decades, and America said, I don't have any more money to give Washington. I'm voting ''no'' on new taxes.

So what happened?

In the lame duck session—November and December of 2010—Speaker NANCY PELOSI, Majority Leader HARRY REID, and President Barack Obama came together and extended the Bush tax rates for an additional 2 years. They refused to raise taxes on the American people because the American people had just had a giant referendum in the November election, and Washington responded. Folks who hated the Bush tax rates—who demonized the Bush tax rates, from whom I've never heard a nice thing said about the Bush tax rates—came together to extend those tax rates for 2 additional years. Why? Because the American people demanded it.

In reading from yesterday's Wall Street Journal—call it causative, call it correlated, call it coincidental—in 13 months of QE2, $600 billion of bond-buying, the value of the American dollar against world currencies fell by 18 percent, which is, in effect, an 18 percent instant tax on every single dollar in every single American pocket in this country.

If you're not thinking through that, I mean, here is the story. You're going to Walmart to buy those Chinese tennis shoes for your kids. Now, when the American dollar—the value of what a dollar buys on the world marketplace—falls 18 percent, that means the cost of those Chinese sneakers rises by that same amount because the dollar is worth less and foreign currencies are worth more. It helps U.S. exports, because what we've produced here becomes worth less and it makes it easier for foreign companies and corporations and nations to buy it, but it makes all of our savings, all of the dollars in our pockets, worth less, too. This is 18 percent, Mr. Speaker, in 13 months.

You and I were not in Congress at that time, but I wonder: How many letters do you think folks got, Mr. Speaker? How many phone calls do you think came in to say, ''I'm watching the activities of the Federal Reserve. I've been studying their balance sheet. I'm deeply engaged in the actions of the $600 billion bond-buying program and QE2, and I see that the value of the dollar against a market basket of world currencies is falling by 18 percent, and I want Congress to fix it''?

Now, Mr. Speaker, you and I were not here, but if this House of Representatives had raised taxes by 18 percent on every American family, there would have been a riot. Phones would have lit up. Mailboxes would have been jammed packed. Email accounts would have been pumped full as American consumers would have said this is not the right direction for America. But who is talking about it when the Federal Reserve creates exactly that same impact through monetary policy? Again, I'm not saying it's right or wrong. We have to make these decisions as a Nation. What I'm saying is there hasn't been enough debate on that topic.

Let me go on. Again, this is from yesterday's Wall Street Journal:

> The dollar followed a similar but slower path leading to the QE3 announcement last week. The Wall Street Journal Dollar Index hit a 22-month high in July.

That means that our dollar was valued high against a market basket of world currencies, which meant spending a dollar bought more goods than it historically buys. It's a 22-month high. It bought more goods in July than it bought in any other month over 22 months.

The Wall Street Journal goes on:

> It then started to slide gradually before dropping sharply once Fed Chairman Ben Bernanke signaled the Central Bank's plan at his speech in Jackson Hole, Wyoming, on August 31. The index is now 6 percent off its July high.

From July to September, every dollar in every American pocket and in every community across this land is worth 6 percent less than it was just 3 months ago.

How many letters have you gotten, Mr. Speaker? How many letters have you received from your constituents to say that every single dollar they're earning in their paychecks, that every single penny in their children's piggybanks, that every single bank account, that every single stock purchase—that every single dollar of wealth we have in this country—now buys 6 percent less?

Again, Ben Bernanke is a bright guy. Alan Greenspan before him was a bright guy. We have this independent Federal Reserve so that we can have really smart people who are studied, schooled—decade upon decade—in the economics of our land and of our world make these decisions. But they impact us, and we're not having that national discussion about what that impact is. This is 6 percent in just the past 3 months.

□ 1950

We talk a lot about Social Security and Medicare, and certainly there's an impact on our seniors, Mr. Speaker, with both of those major programs that we've all paid into out of our paychecks all of our lives. But what about folks on a fixed income? Because, again, part of this Federal Reserve policy, there is the expansion of the balance sheet side, and there's also the controlling of the interest rate side. Of course, we've pushed interest rates low.

What I have here, Mr. Speaker, is a chart of interest rates in this country that is kind of a 10-year bond yield. It is a number that is looked at around the globe. This chart goes from January of 2009 up to September 2012. What you see in green is the beginning of quantitative easing, QE1 in green. You see the end of QE1 in red. As we begin to put more and more and more money into the marketplace, lubricate that marketplace more and more and more, the cost of borrowing money went higher and higher and higher until QE1 ends and interest rates collapse. Then we announce QE2. Here in green you see where QE2 begins. You see in red where QE2 ends. As soon as QE2 ends, interest rates collapse. Operation Twist begins.

Here we are with average 10-year yields, Mr. Speaker, going back over the last 3 years. This is what we're usually paying for money. This is what we're paying for money right now. These are the lowest interest rates we've seen—well, not just in a generation, Mr. Speaker—in decades. Let me go on.

This is that dollar index that I talked about, that market basket of world currencies. How much is a dollar worth? Again, let's look. QE1 begins, the value of a dollar spikes briefly. Throughout QE1, the value of a dollar collapses and rises towards the end of QE1. As soon as QE1 ends, the value of a dollar spikes again—QE2. Again QE2 begins. By the time QE2 ends, we see the dollar valued substantially less.

What's the discussion around the family dinner table, Mr. Speaker? You can't find a household in this Nation that hasn't had a discussion about their tax bill. I daresay you wouldn't find many households in this Nation that haven't had a discussion about the regulatory burden that is being placed on them by the Federal Government today, the challenges of going out and creating a business or building a new job because of the regulatory burden.

But how many folks are sitting around the dinner table talking about this small group of men and women, the Federal Open Market Committee, the chairman of the Federal Reserve, and what they're doing that both obligates Americans and impacts our fiscal and economic future, and what they're doing to try to create those jobs and keep interest rates low for America today?

This is the chart that concerns me the most, Mr. Speaker, because we're borrowing at record low interest rates. The Federal Reserve is doing a lot of buying of American debt too. Again, I talked about the left hand and the right hand, and we're paying ourselves because we're borrowing from ourselves and lending to ourselves. These are all just clicks of the mouse these days. It's not dollars that are changing hands. We're just clicking the mouse.

What happens borrowing a trillion dollars a year, Mr. Speaker? You and I are working hard to curtail that. Of course, discretionary spending in the 20 months you and I have been here, we reduced 2010. When we went into 2011, we came lower than 2011. When we went into 2012, we now sent a continuing resolution to the Senate that brings us even lower in 2013. We're in 2012. We're absolutely saving those dollars one dollar at a time, but we're still borrowing a trillion tax dollars a year. Whose buying that debt, Mr. Speaker?

In the early 1970s, it would have been us. That's been the history of this country. We, the American people, buy our debt. Thrift was valued, and we take our hard-earned dollars, we take those dollars we've accumulated as families through our thrift, and we buy American bonds with them. We reinvest in America. And when America pays interest on those bonds, that interest comes back to us as American families.

But over the past four decades, that's begun to change dramatically. The mix of who's buying those bonds has moved from American families and American institutional investors and is drifting aggressively towards foreign purchasers.

That's just the way it is. We don't have any thrift in this country anymore. No one is saving money in this country anymore. American has debt it has to sell. It can't sell it to American families because American families don't have jobs and don't have money, so they've got to sell it to foreigners: China, Germany, Japan. That's the way the economy is today, Mr. Speaker.

I've represented those lines here. This is a percent of GDP. That's what this chart is. This is a baseline here, zero percent of GDP. It goes back to the year 2000. We're just looking at the last decade. It comes out to 2012. The question is: Year over year, who's buying Treasury securities? Is it the private sector, individuals, and institutional investors? That's the green line. Is it foreign investors? That's the blue line. Or is it the Federal Reserve?

Again, I don't know who is following those things day to day, Mr. Speaker. It's not coming up at town hall meetings. It's not coming up around family dinner tables. But the Federal Reserve, if you follow this black line here, the net change in what they were buying in terms of Federal Treasurys, it's pretty close to zero here. This black line representing the Federal Reserve is zero in 2001, 2002, and 2003. The foreign nations begin to buy more here, American consumers begin to buy a little more here, they sold more here, the foreigners bought more there. But here's that black line, the baseline, the Federal Reserve going right on out.

Look at what happens in 2009, 2010, and 2011. That black line spikes. As we go into 2011, I want you to see, Mr. Speaker, that black line crosses the green and the red line. Why are these lines getting so tall? Because America is selling so much debt. You've got to remember that. When President Bush was in the White House when debts were considered then massive at that time, we were under $400 billion a year. We were trying to sell $400 billion a year in government-backed securities on the world market.

Beginning late in 2008 and going into 2009 and into 2010 and into 2011, we began to sell over a trillion dollars a year. The number of debt instruments that we had to sell in the world marketplace tripled, if not quadrupled. So you see that spike, and everyone has to buy more of our debt. Individuals are buying more in the green line, foreign nations and foreign investors are buying more with the blue line, and the Federal Reserve begins to buy more, as you see, in the black line.

Starting in late 2010 and going into 2011, you see the black line come out on top, that the net change in the ownership of Treasurys has shifted away from all private and governmental investors combined around the globe, and now the biggest shift in each month is our Federal Reserve buying our own debt, us taking the money out of one pocket, putting it in the other, taking the debt instrument out of your pocket, putting it back in the other.

What's the impact of that, Mr. Speaker, on the long-term American economy when we can't find enough dollars on the planet, we can't find enough buyers on the planet to invest in American debt? So we the American Federal Reserve have to buy that American debt—again, just a click of the mouse—because no one else is.

What if the Federal Reserve closed the doors tomorrow, Mr. Speaker? Could we even sell it? I understand the Federal Reserve competing in that marketplace. It helps to keep interest rates low, right? When demand is high for debt, interest rates are lower. The Federal Reserve would have stopped that demand. What's the real cost of borrowing in this country? We don't know.

We have four times higher debt today than we did in the late 1990s, by 1997. Four times more debt today than we did in 1997, and yet we pay less in interest on the national debt as a percent of GDP today than we did then. Why? Because of record low interest rates. Why do we have record low interest rates? Because we are exerting every fiber of energy that the Federal Reserve can muster to keep those interest rates low. I'll show you a chart of those interest rates later. But they are the largest purchaser of our debt.

There is some good news in that, and I want to shift just a moment from the Federal Reserve to the Treasury Department. Again, the Federal Reserve, Mr. Speaker, is an independent doing its own thing. The Treasury Department is completely funded by this Congress, completely involved in oversight under this Congress and direction by the administration.

We are experiencing record low interest rates today.

□ 2000

There is so much uncertainty in our future and, again, I'm trying to highlight how some of that has been created by the Federal Reserve just so that America begins to have that conversation. The good news is the folks over at Treasury, the public folks over at Treasury, the Bureau of Public Debt and Treasury have begun to extend the maturity, average maturity rate, of our debt.

Now, what does that mean? Well, you remember reading about all the folks in the mortgage market who got caught by those teaser rate loans. The rates were low on year one, but they went up in year two and folks couldn't afford the payments on year two and the interest rate jumped—teaser rates.

Well, right now we're financing America's debt at teaser rates. We're borrowing at the lowest rates in history. When we go out and we start selling debt instruments, we're not selling everything as a 30-year bond, where nobody is going to come looking for the principal for another 30 years. We sell that in 28-day instruments, 1 month, 3 months, 6 months. Short-term instruments finance the plurality of our debt.

Now, what does that mean? That means we have tremendous interest rate risk. Whatever the debts are in our families at home, Mr. Speaker, if we have those amortized over a long period of time, then we know exactly what our payments are going to be. If we're involved in short-term teaser rates, then we could have the rug pulled out from under us tomorrow.

To the Treasury's credit, go back to 1980 here, average maturity of debt, when interest rates have gotten lower, Treasury has begun to lock American debt in for longer and longer maturities. Back in October of 2008, when we were just dumping debt on the marketplace as fast as we could because we were spending at the highest deficit levels in American history—again, four times the previous levels, as George Bush was leaving office—we had to sell it to anybody who was willing to buy it.

The maturity rate, just the average maturity rate just collapsed, collapsed. We've been battling back from that time, 48 months in October of 2008. Again, that's average, 2008. What were we talking about then, Mr. Speaker? About $13.5 trillion in public debt that, on average, was due in 4 years or less.

There is a thing about that, because there's no surplus here. We're still borrowing more, but every 4 years the entire amount of debt comes due, that's the average. The entire debt turns over every 4 years. We're not only borrowing a trillion more each year; we've got to pay back the $13 trillion we already borrowed that we're then refinancing by selling additional debt.

To the Treasury's credit, we're extending that timeline one month at a time, one day at a time. Here in May of 2012, we've already pushed out the average maturity date 32 percent. It's up to 64 months there over the summer to try to lock in these low interest rates to give America some interest rate protection, to reduce our interest rate exposure.

You can't throw money around the way this Nation is throwing money around and think inflation isn't going to get you. It's not a question for economists, Is inflation coming? The question is when is it coming and how bad is it going to be. It's coming.

The laws of economics are sound. It's coming. When is it coming? How bad's it going to be? Our Federal Reserve tries to manage that for us with our Treasury Department locking in those longer-term rates now.

Let me just say that we've begun that discussion in Congress. I think we need to begin that discussion, Mr. Speaker, in living rooms around the country. It's not just a congressional discussion, of course. It's a discussion that the American people need to have.

Who are we as a Nation? What are we mortgaging away in our tomorrow to try to help our today? Is what we're doing making today easier? Perhaps it is. But giving the risk of what it does to tomorrow, is it worth that risk? We're not having that conversation. We're leaving those decisions to the independent Federal Reserve. We're leaving those decisions to the Federal Market Committee.

That was a different choice that we made when the balance sheet of the Federal Reserve was $800 billion, still a big number, but $800 billion. Now it's four times larger. We're working on that here in Congress, Mr. Speaker. It began with the Federal Reserve Transparency Act; and that's a bill, a bipartisan bill, 274 cosponsors in the House. When we finally brought it to the House floor, it passed 327–98.

That's big. You talk about all the things we don't agree on here in Congress, you talk about party-line votes that divide us right down the middle—3–1 Congress voted to pass the Federal Reserve Transparency Act.

Now, does that say the Federal Reserve is doing a bad job? No, that's not what this bill says. What this bill says is the Federal Reserve is doing a lot. It's doing a lot that we never anticipated when we created the Federal Reserve.

There comes a time the American people need to be involved in that process and we, as their Representatives, need to be involved in that process. This is Dr. RON PAUL from Texas who has been pushing this idea for years and years and years. In this Congress, as he prepares to retire at the end of this year, the House finally had a vote and passed it by a large margin.

There is another bill in the House that has 48 cosponsors right now. It has not moved out of committee, and it's called the Sound Dollar Act. It's H.R. 4180. Again, it's looking at some of these questions going back to be that Wall Street Journal article I showed in the beginning, 6 percent devaluation of our currency in the last 3 months. As the Federal Reserve began to act on QE2, an 18 percent devaluation in our currency.

Golly, you work hard all your life, you think, God the stock market is too risky for me. I have seen it collapse, more than once: tech bubble collapse; builders, real estate collapse; September 11, 2001 collapse. Too risky, I just can't do it. I'm going to take my dollar, and I'm going to put it in a federally insured banking institution so that I know when I go to take that dollar out, it's going to be there.

Well, that's true. But is it still going to be worth a dollar when you take it out? The answer turns out to be no.

If this government wants your money, we can come and we can tax you, Mr. Speaker. We can take 20 percent of everything you own, brand-new tax, 20 percent of all the wealth anyone has in America. Yes, $10, we're going to take $2 of it.

That's not going to pass this body, and it shouldn't. It's crazy. Through monetary policy, we can achieve that very same effect and nary a voter said a word.

I'm not telling you it's bad for America. I'm not telling you the folks of the Federal Reserve are out to get America. I'm not saying that at all. These are conscientious men and women who love this country and who are trying to make sure, in line with their Federal mandates, that they are keeping an eye on inflation, that they are keeping an eye on interest rates, that they are keeping an eye on full employment. These are contradictory goals, and they have got to keep them all in the same basket and try to succeed on all fronts.

But the beneficiary, if they succeed, is the American taxpayer. The one who bears the burden if they fail is the American taxpayer. The one that's not involved in the discussion right now about whether it's the right thing to do or the wrong thing to do is the American taxpayer.

I believe this November, Mr. Speaker, we are going to have the largest voter turnout in American history, and I'm thrilled about it because I still believe in America. I still believe in Americans.

When more Americans turn out to have their voice heard, we're going to end up with the right answer. I don't have any idea what the American people are going to decide because at the polls they're still trying to make up their mind in some cases.

But when more of us are involved, we're going to end up with a better decision for America at the end of the day. We need to get those voices involved in Federal Reserve policy.

This chart, Mr. Speaker, is one of my favorites. It goes back to 1962. We go deep, deep, deep into history. I say deep, deep, deep because I'm in my forties; this is before I was born. So I call that deep, deep, deep into history. If you were born before 1962, it might not seem like that far to you, but it's 50 years, Mr. Speaker, of American interest rate policy.

We see here the end of the Carter years and the beginning of the Reagan years before the Reagan tax cuts had a chance to take effect and get the economy back on track. We're talking about sky-high interest rates, but over 50 years of American history, 50 years of American history through Vietnam, through the oil embargoes, through Carter, Reagan, Bush, and Clinton. You look way out to the end of this chart, Mr. Speaker, 2012. You see a collapse in the average 10-year interest rate to the lowest levels that most of us have ever seen in our lifetimes.

□ 2010

These are the interest rates that America ordinarily pays. But we're manipulating the system to pay the lowest interest rates in history. At the same time, we're borrowing the most money in history. The laws of economics tell you that's not what goes on with supply and demand. If there's more demand for debt and less supply and folks to buy, interest rates are supposed to go up. We have more demand than ever before. We have less supply of buyers than ever before in the world marketplace. And yet interest rates are at their lowest level in history.

There's going to come a time, Mr. Speaker, that we're going to have to pay the piper. This is normalcy. This is historical normalcy. What we're experiencing today is temporary, and, by definition, has to be. The same thing is true on 30-year interest rates. In fact, it's even more dramatic. This goes back to 1977, Mr. Speaker, out to 30-year interest rates today. The 30-year U.S. Government interest rate down around 3 percent, Mr. Speaker. Who is it, Mr. Speaker, who wants to trade away $1 today with the agreement that they'll get $1.03 back next year. And that same deal over the next 30 years. Who thinks that dollar is only going to devalue 3 cents a year going out over time?

As I close, I want to make it clear there's a lot of shin-kicking that goes on in this town. I'm not trying to kick the shins of the Federal Reserve. I've got a lot of constituents who think I should. I've got a couple of constituents who think I shouldn't. But what I don't have enough of are voices across the Nation demanding that we take a look at it.

I recommend this article to you. September 11, 2012, again, written by Senator Phil Gramm. That's Phil Gramm of the Gramm-Rudman-Hollings Act. Do you remember that? That was our last serious effort at deficit reduction. This is a gentleman who has been concerned about free markets and American job creation and American debt for a generation. He served here in the House, served in the United States Senate. He crafted, again, some of the biggest budget bills, most progressive, most opportune when it came to seizing the moments to try to change the fiscal direction of the country for the better. He's writing on September 11 about our fiscal future and what's happening at the Federal Reserve.

I'll close with the same way that he closed. He said:

> Some day, hopefully next year, the American economy will come back to life. Banks will begin to lend, the money supply will expand, and the velocity of money will rise. Unless the Fed responds by reducing its balance sheet, inflationary pressure will build rapidly. At that point, the cost of our current monetary policy will be all too clear.
>
> Like Mr. Obama's stimulus policy, Mr. Bernanke's monetary policy expansion will

ultimately have to be paid for. The Fed softened the recession by its decisive actions during the panic of 2008. But the marginal benefits of its subsequent policy have almost certainly been small. We may find the policies that had little positive impact on the recovery today will have high costs, indeed, when they must be reversed in a full-blown expansion.

There's not a man or woman in this country, Mr. Speaker, who's registered to vote who's not thinking about their tax bill, who's not thinking about the economy, who's not thinking about job creation, and who's not going to go to the polls and vote accordingly. Mr. Speaker, I encourage you to encourage your constituents, as I'm going to encourage mine, don't just think about tax policy. Think about monetary policy. What we're doing here in Washington to cut budgets, that's what we'll call fiscal policy. What the Federal Reserve is doing with its balance sheet and with interest rate, that's going to be monetary policy. And it makes a difference. The decisions we make today have to be paid for tomorrow. Perhaps it's the right thing to do today, but if it happens in secret, if it happens unbeknownst to the American taxpayer, the American job creator, the American jobholder, who will ultimately have to foot that bill, then it's not the right course of action for America.

Let's have this debate. Let's talk about it in the light of day. And let's make that decision, Mr. Speaker. Balance those costs and those benefits and do what we know will be best for the American family for another generation to come.

With that, Mr. Speaker, I yield back the balance of my time.

NANNY-STATE GOVERNMENT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 5, 2011, the Chair recognizes the gentleman from Iowa (Mr. KING) for 30 minutes.

Mr. KING of Iowa. Mr. Speaker, it is my honor and privilege to address you here on the floor of the United States House of Representatives and take up some of the issues that I think are so important to the dialogue before us here and the American people to consider as they listen to our discussion.

A number of things weigh on me as I come to the floor tonight. And one of them is something that I think is emerging in the consciousness of the American people, Mr. Speaker, in a way that really wasn't there before this administration took office, and that is the massive growth of the nanny state here in the United States of America.

We've watched as regulation after regulation have crept in on our regular lives, and some of the things that I've spoken about with you in the past fall down along those lines. For example, the curlicue light bulb. The idea that the Federal Government could ban our 100-watt light bulbs and prohibit us from buying our patriotic Edison light bulbs and require us instead to substitute for those curlicue mercury-laden light bulbs.

Now I'll point out, Mr. Speaker, that I have a good number of those—I'll call them modern—light bulbs in my house. I put them where they make sense. And where they don't make sense, I put in the patriotic Edison bulbs. If I need quick light to walk into a room for just a minute, I want to have an Edison bulb there, not a curlicue, so it lights up right away. I can shut it off right away. It's not on much. It doesn't cost much electricity. If I'm going to have a bulb that's going to be on for quite a long time, then I want to have the energy-efficient bulb. That's a simple decision that a consumer can make—and especially a well-informed consumer. But when you end up with a one-size-fits-all that comes from the Federal Government, you end up with a lot of bad decisions so that it all fits into one formula. That's the light bulb.

Another one is shower heads. Several months ago, the Federal Government fined three companies for selling shower heads that let too much water out. Think of that. Too much water. One size fits all. The water supply in let's say Buffalo, up by Niagara, is different than the water in someplace like Tucson; different than someplace like New Orleans or Florida or Iowa. And so we have one-size-fits-all on shower heads. And here's the brilliant presumption on the part of the nanny state Federal Government: the conclusion that in all cases water is going to be more valuable than time. So people can stand under that shower head and wait for their feet to get wet because over the broad calculation of 300 million people you will save some gallons of water that are more valuable to the mind of the nanny state—certainly, more valuable in the mind of the nanny state—than the time that it takes for someone to stand there and wait to get wet.

Here's another one. The 55 mile-an-hour speed limit that was imposed a long time ago in this country under the belief that if we all drove 55 miles an hour we would save gas and that would help our energy independence and keep us less dependent upon foreign oil. So the Federal Government dialed the speed limit down to the "double nickle," as we called it, and everybody in the country drove 55 for a long time, even on the interstates, with the misguided idea that gas was always worth more than time.

So one day, Mr. Speaker, I was driving down the road in Iowa at 55 miles an hour and I came through this intersection on a county road and I could look in my mirror and see a mile in my mirror, not a car in sight. A lot of cornfields. Looked right, looked left. I could see a mile in either direction. I could see a mile ahead of me. I could cover 4 miles of road by looking out three windows and into a mirror.

And there I am driving down the road looking at cornfields, which I love to look at, at 55 miles an hour. I thought, Why am I doing this? Well, it must be the nanny state that has imposed this on me. And I picked up my phone and called—now there's a law against that in the nanny state—but I called my secretary in one of our offices and said, I want to know how many passenger miles are traveled on the rural roads in Iowa each year. Can you get me that number? She came back to me a little later and said, I can't give you the passenger miles but I can give you the vehicle miles on rural roads.

So I did one of those little calculations on my calculator that works out like this: if we all drove 65 miles an hour instead of 55 miles an hour, that's 10 miles an hour faster. You calculate how much sooner you arrive at your destination by driving 10 miles an hour faster.

□ 2020

Then you calculate that each one of us on the day we were born was granted the actuarial number—at that time I figured it at 76 years—when you figure those hours that you have in your lifetime at 76 years and then you figure out how many hours you spend unnecessarily looking out the windshield at 55 miles an hour, and you calculate the lifespan, and you divide it into the time saved and the miles that are traveled on rural roads in Iowa each year. And it came down to this: that if we drive 65 instead of 55, we will have saved 79.64 lifetimes of living, in other words, getting to our destination, doing something productive. That has value too.

That calculation wasn't made by the nanny state. The nanny state only calculated gas is always worth more than time.

Not so in Germany where people get out on the Autobahn and drive as fast in some locations as they have the nerve to drive under the idea that you get them out on the highway, you get them off the highway, you get them out of the way where they're not going to be congesting traffic, and you get people engaged in doing their regular living in life.

That's the speed limit, the shower nozzles, the curlicue light bulbs, all examples of the nanny state.

But, Mr. Speaker, the examples of the nanny state have surpassed the imagination of almost every one of us that has common sense.

When I look at what has come out of the U.S. Department of Agriculture, for example, the rule that cooperated with the Department of Labor, worked in conjunction with the Department of Labor, and I asked this question under oath of one of the Under Secretaries of the Department of Labor before the Small Business Committee, did the U.S. Department of Agriculture work in cooperation with the Department of Labor to produce these rules that would regulate farm youth labor? The answer was, yes, they worked in cooperation with the Department of Agriculture.