United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 110th CONGRESS, SECOND SESSION

Vol. 154 WASHINGTON, TUESDAY, SEPTEMBER 23, 2008 No. 151

House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. STUPAK).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 23, 2008.

I hereby appoint the Honorable BART STUPAK to act as Speaker pro tempore on this day.

NANCY PELOSI,
Speaker of the House of Representatives.

MORNING-HOUR DEBATE

The SPEAKER pro tempore. Pursuant to the order of the House of January 4, 2007, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning-hour debate.

The Chair will alternate recognition between the parties, with each party limited to 25 minutes and each Member, other than the majority and minority leaders and the minority whip, limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

THE ECONOMIC TRAIN WRECK: IT MATTERS WHO IS IN THE WHITE HOUSE

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

Mr. BLUMENAUER. Mr. Speaker, it has been a painful experience for all of us watching this slow-motion economic train wreck get worse and worse.

One of the lessons over the last dozen years that I have been in Congress is that it matters deeply who is in the White House. One can just look at the bankruptcy legislation, the so-called ''reform,'' as it worked its way through Congress getting actually worse in various iterations. When Bill Clinton was no longer there to veto it, it was embraced by the Bush administration and enacted into law to the detriment of the vast majority of American citizens.

One looks at how for 13 years when the Fed Chairman refused to use the authority to reign in the subprime mortgage madness, the ''froth'' that Mr. Greenspan referred to. We went from the firm leadership of the Clinton White House Treasury Team of Rubin and Summers to the drift of the Bush Treasury with O'Neill and Snow.

I appreciate the efforts by Speaker PELOSI and Chairman FRANK to protect the taxpayers, to rein in the people who have driven these companies over the edge and our economy into the ditch, to assure that they don't profit from any Federal bailout, to stop the golden parachutes. This may seem to some to be relatively small potatoes given the hundreds of billions of dollars that are being tossed around, but it is incredibly important in terms of the signals we are going to send to people who are going to behave recklessly in the management of corporations. It is critical that we don't rub the nose of the public in this failure by rewarding people who have helped create this disaster.

It's important that we take the time to craft this properly, to have a shorter leash for the Treasury, particularly because there is such a dramatic difference that we are hearing on the campaign trail between a Senator MCCAIN, who has repeatedly said that the fundamentals of the economy are strong even as he has advocated policies and has been counseled by people like Phil Gramm who helped make those fundamentals weaker. Senator OBAMA has appropriately highlighted the problems, proposing reasonable solutions, while convening groups of people who understand the problem, who have credibility, and the reasonable principles and solution.

Some of the key elements that should be pursued from my perspective are, first and foremost, to not put the taxpayer on the hook for any more than is absolutely necessary. That sounds simple, but we see proposals coming forward that would have us not simply mark to market, to just buy the value of the damaged items but things that are going to actually accelerate the amount of loss. It is important that we get something in return, get back equity. This is not unprecedented. This is just what happened a few days ago with insurance giant AIG, and it should be a principle that is applied to any other institutions that are going to receive Federal assistance.

It is absolutely critical that we focus on two groups that we need to be more sensitive to than the reckless and the greedy: homeowners and retirees. It is important to stabilize the middle class housing market on which so much of not just our economy but the stability of our communities relies. Today's retirees are in danger of paying the greatest price of all. Many are already losing what they thought were lifetime guarantees of health care and pensions as corporations they retired from rewrite the rules. Too many have less saved, they have longer lives in retirement, and they are going to be forced to deal with more risk than ever before.

All of this suggests, while I think we are moving in the right direction changing some of these proposals, just because the Secretary of the Treasury and the Fed Chair made some rash comments about urgency, Congress should not rush it; it needs the time to get this right.

Printed on recycled paper.