our economy and brought great suffering to millions through unemployment and price escalation. And it has achieved what only a central bank can: A steady depreciation of our currency. Today's dollar is now worth 4 cents, compared to the dollar entrusted to the Federal Reserve in 1913. Ninety-six years should have been plenty of time for the Fed to come up with a plan for preventing economic crises.

Since the Fed is the source of all economic downturns, it's impossible for any central banker to regulate in such a manner to prevent the problems that are predictable consequences of his own monetary management. The Federal Reserve fixes interest rates at levels inevitably lower than those demanded by the market. This manipulation is a form of price control through credit expansion, and is the ultimate cause of business cycles and so many of our economic problems, generating the malinvestment, excessive debt, stock, bond, commodity, and housing bubbles.

The Federal Reserve's monetary inflation, indeed, does push the CPI upward, but concentrating on the government's reports of the CPI and the PPI is nothing more than the distraction from the other harm done by the Federal Reserve's effort at central economic planning through secret monetary policy operations. Real inflation, the expansion of our money supply, is greatly undercounted by these indices. In response to our latest financial crisis, the Federal Reserve turned on its printing press and literally doubled the monetary base. This staggering creation of dollars has yet to be reflected in many consumer prices, but will ultimately hit the middle class and poor with a cruel devaluation of their savings and real earnings.

The Fed has clearly failed on its mandate to maintain full employment and price stability. It's time to find out what's going on. Instead of assuming responsibility for the Fed's role in the crisis, Bernanke brags about, ''arresting'' the crisis.

I would suggest to Mr. Bernanke that it's too early to brag. Bernanke decries any effort to gain transparency of the Fed's actions to find out just who gets bailed out and who is left to fail. Instead, he proposes giving even more power to the Fed to regulate the entire financial system.

□ 1945

What he does not recognize—nor does he want to admit—is that he is talking about symptoms while ignoring the source of the crisis: the Federal Reserve itself. More regulations will never compensate for all the distortion and excesses caused by monetary inflation and artificially low interest rates. Regulation distracts from the real cause while further interfering with the market forces, thus guaranteeing that the recession will become much deeper and prolonged.

Chairman Bernanke's argument for Fed secrecy is a red herring. It serves to distract so the special interests that benefit from the Fed policy never become known to the public. Who can possibly buy this argument that this secrecy is required to protect the people from political influence?

My bill, H.R. 1207, has nothing to do with interference with monetary policy. This was explicitly stated in the amendment voted on in the Financial Services Committee. Bernanke's argument for protecting the independence of the Fed is his argument for protecting the secrecy of the Fed. Chairman Bernanke concludes that ''America needs a strong''—think cartel—''nonpolitical''—think Goldman Sachs—''and independent''—think secret—''central bank with the tools to promote financial stability, in the midst of a horrendous financial crisis, and to help steer our economy to recovery without inflation.''

This belief is a dream that one day will become a nightmare for all Americans unless we come to our senses, stop our wild spending, runaway deficits, printing press money, massive bureaucratic regulations, and our unnecessary world empire. A crucial step towards fixing these problems will be transparency of the Federal Reserve.

CAP-AND-TRADE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan (Mrs. MILLER) is recognized for 5 minutes.

Mrs. MILLER of Michigan. Mr. Speaker, earlier this year, this House passed what is known as cap-and-trade legislation which would place limits on the amount of CO_2 that could be emitted into the atmosphere. And the reason given for the need for this legislation is that man-caused global warming poses a very grave threat to the future of our planet.

We have been told that the debate is over, that the science is incontrovertible. We've been told that this action must be taken to save our world, even though it would threaten our economy and cause redistribution of wealth from our Nation to others and would lead to massive job losses and outsourcing from the United States to other nations. Particularly hard hit would be industry, agriculture, and States that rely upon coal for electricity production.

Mr. Speaker, I voted against cap-and-trade because I wasn't convinced of the problem and because the solution to the perceived problem would cause further economic devastation to my constituents. I am from Michigan, where we currently have the highest unemployment in the United States. We also derive two-thirds of our electricity from coal, and our number one industry is industrial manufacturing, and our number two industry is agriculture.

If cap-and-trade were to pass, Michigan's economy would be devastated, but we were told that it had to happen because the alternative is worse.

Well, Mr. Speaker, a few weeks back, a series of emails from within the world's foremost climate change research facility, the Hadley Climate Research Unit at Britain's University of East Anglia, were either hacked or they were leaked by a disillusioned insider, which has blown away the scientific foundation for the manmade global warming theory. It's being called Climategate.

Mr. Speaker, these troubling emails show that some of the most respected and quoted and public scientists used tricks to manipulate data, refused to release the data that is the foundation for their research, and they've attempted to silence any critics of their hypothesis and even expressed dismay that they could not explain recent cooling taking place across the globe. And these scientists seemed to have allies cooperating with them, including some here in the United States.

It has become very clear that the science is, in fact, not settled, that the debate is very much alive, and that the tactics and methods used by the most trusted scientists have, in fact, very serious problems.

One email said this, which suggests a manipulation of data: ''I've just completed Mike's trick of adding in the real temps to each series for the last 20 years and for 1961 for Keith's to hide the decline.'' Hide the decline? An inconvenient truth that temperatures were declining required a trick to hide it.

And then another email expresses frustration that temperatures are actually going down: ''The fact is that we can't account for the lack of warming at the moment, and it is a travesty that we can't.''

Mr. Speaker, another email exposes the attempts to silence dissent: ''I think we need to stop considering 'Climate Research' as a legitimate peer-reviewed journal. Perhaps we should encourage our colleagues in the climate research community to no longer submit to or cite papers in this journal.''

Well, that is absolutely wonderful. Call those who disagree with their hypotheses cranks because they have not been published in peer-reviewed journals, and then when they were, to discredit the journal.

In other words, Mr. Speaker, the fix is in. And most troubling of all is the destruction of raw source data that could be used to verify their work. The leader of the CRU for years refused to release source data, and now they claim the data was ''lost.'' It sounds to me like the old elementary school excuse, ''The dog ate my homework.'' That excuse didn't work for third graders and it certainly is unacceptable from scientists who are asking us to upend our economy.

And even worse, emails exist that suggest that the data wasn't lost but instructs scientists to destroy data which was subject to Britain's freedom of information laws. And that is not just bad science; that is a criminal act.

And now we're being asked to radically restructure our economy based largely on the research of these scientists.

Mr. Speaker, Congress needs to hold hearings into this matter. We need to investigate these very troubling revelations. If we are to make policy that will so profoundly impact our Nation, that policy must be made on facts, not on articles of faith or manipulated data.

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 RULE OF LAW

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, the gentleman from Texas (Mr. CARTER) is recognized for 60 minutes as the designee of the minority leader.

Mr. CARTER. Mr. Speaker, again tonight I rise here to talk about the rule of law and the fact that there are those in our society who seem to want to circumvent the rule of law and think because of their position either in Congress or in the government that the law shouldn't pertain to them the way it pertains to other Americans, that they should be treated specially. And even though our President stated that he didn't think that that's what the American people—that he was going to fight to make sure there was no special treatment for people other than everybody get treated equally, we've still got this issue going on. And I've been talking about this, and I've been talking about Chairman RANGEL and his issues with the tax folks and about how the rule of law didn't seem to apply to him, and tonight I am going to talk about Secretary Geithner, the Secretary of the Treasury.

Before I start talking about this, I was thinking, as I was sitting here listening to people talk—and everybody was very informative—that there may be people who really don't understand what I say when I talk about the rule of law.

The rule of law is a very basic concept. It is a prevailing concept that holds our Republic together here in the United States. But in truth and fact, the whole world seeks a system where the rule of law prevails, because it is that system which gives recourse to the ordinary person. So let me just point out some of the things that we're talking about here tonight that the rule of law is part of.

When I say ''recourse,'' the average American citizen, if someone is breaking into their house, if they hear a burglar prying open the back door of their home, they call 911 and ask them to send out a police officer or a sheriff's deputy or someone to protect their home. And they know that we have procedures whereby that officer has the authority to come in and make an arrest of that person, to protect the homestead of the person that is being violated. They know that there's someone they can call who will help and that there are rules that the society they live in has established so that they get treated fairly in being protected by the law. And the person who is accused of breaking the law is also treated fairly, because they know that we have rules that we have all agreed upon. These are the rules that our society will follow. That is the rule of law.

When we talk about Afghanistan—which is an issue that probably, as I am speaking, the President is speaking on some other channel about this—the issue, when you're talking about counterinsurgency cut down to its finest point, is establishing the rule of law in a war zone, if you will. We did it in Iraq. And basically we did it with a civil principle which we've used in New York City to lower the crime rate. We used it in Philadelphia to lower the crime rate. Big cities have used it from time to time everywhere, and that is community policing. That is the idea that there is somebody in your neighborhood you can turn to and say, ''Help me. I need your help.''

And really, counterinsurgency is using the military to train up the local folks in their police force and their army so that their citizens know that they can be protected by their police force and their army and their court system and their government from those who would do them harm. So they don't have to look to the strongest guy in the neighborhood—which may be the Taliban—to protect their interests; they can look to the government and the society that's been established by that government.

And counterinsurgency is basically putting American forces and indigenous forces in place in neighborhoods all over Afghanistan so that the Afghan citizens realize there's someone there permanently to make sure that they are treated right and treated fairly. And so it's the beginning of the establishment of the rule of law.

We in the United States have been blessed for our entire history with a rule of law. And, in fact, we don't salute a king. We don't salute a dictator. We don't salute an individual that sovereignty comes from that individual. We salute a document.

When those of us who are fortunate enough to be elected to Congress and are able to serve our constituents back home here in Congress and we have the opportunity to be here in Congress, we stand up and we take an oath. And that oath is to the Constitution of the United States, that we will preserve, protect, and defend that Constitution from all enemies, foreign and domestic, because the Constitution is that set, beginning set of rules of law that we established this Republic under. So we are a very blessed Nation. We started with the rules of law.

Today, in many nations around this world, there are still folks who don't have some rules that they can feel comfortable will be there to protect their society. And a lot of what happens when you create a counterinsurgency force like we're doing in Afghanistan, we're establishing that security for those people who live in that country. So that is a little bit off subject, but it gets you to the idea of how important it is that a people, whoever the people are, wherever they exist on this Earth, have some set of rules they can feel they will be treated just like their neighbor next door or the guy clear across the country. They're going to be treated fairly, they're going to be treated well, and they're going to have a source that they can get recourse for something that happens to them. It is a very simple concept, but it is the foundation concept of a civil society, of a society that functions properly.

And one of the things that offends the rule of law and that has offended Americans at every stage of our history is when there are those who think, The law doesn't apply to me. It applies to you, but it doesn't apply to me. I am more important than you. I am a big shot or I am a powerful person or I am a rich person, so the law doesn't apply to me. It applies to you.

□ 2000

And there are always going to be those misdirected people in any society who feel that way. But it is our duty when we see people who are taking that position or where a group of people is taking that position on behalf of a individual, that they are above the law, they are above being treated the same as you might be treated or that I might be treated, they are special, they should have special treatment.

Let me show you what the President said about that. President Barack Obama on February 3, 2008 said, ''I campaign on changing Washington and bottom-up politics. I don't want to send a message to the American people that there are two sets of standards: one for powerful people and one for ordinary folks who are working every day and paying their taxes.''

That is what the President of the United States said about the rule of law as it pertains to what he wanted in his Presidency.

There are lots of laws in the United States that pertain to all of us. Most of us don't feel pressure about most laws. The vast majority of Americans citizens are very law abiding. They do what they are supposed to do. They may speed once in a while, and occasionally they get caught and they expect to be treated like everyone else. And they may do some other minor things that they shouldn't do. But the truth is the American people, we are very law-abiding people.

But there is one area that we are all affected by every day, and I would argue that many of us in this country fear, and that is the area of the Internal Revenue and our taxes. Quite