

that sort of thing. But the energy companies are going to pass that tax on to the rest of us. And what that means, you cut through all the taxes, because of the new energy tax on energy companies, every American is going to add 41 cents to their gasoline; in other words, that's passed on to us. You add on the mileage tax, you add on the 10-cent tax for using gasoline, and now we've got another 41 cents that will be passed on to the American consumer.

Now the new cap-and-trade idea—it really should be called cap-and-tax—is sending energy companies packing their bags. Mr. Speaker, what I mean by that is, they're leaving town. The taxes are too high. They're not going to stay here any longer. It's been reported by different media sources that the new country, the new place for energy companies to move is a place called Zug, Switzerland. You've probably never heard of it. You have to look it up on a map to find it. But the tax rate for corporations in that area of Switzerland is 9 percent. The corporate tax in the United States on those energy companies is 35 percent. No wonder they're leaving town. They can't afford to do business in the United States.

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The U.S. energy companies are going someplace else because of the overwhelming tax structure here.

Mr. Speaker, the answer is not to tax more but to allow more energy production, novel thought that that is. Rather than run energy companies out of town, maybe we ought to let them expand in the Outer Continental Shelf. That would actually create thousands of American jobs. We wouldn't be sending money overseas to OPEC. We'd keep that money in the United States. We'd keep the lease revenue that those oil companies have to pay for to get that oil out of the Outer Continental Shelf. We'd keep that lease revenue in the United States. And we'd also keep the tax revenue in the United States.

But, Mr. Speaker, the new French economic plan is tax anything that produces in this country, and now we're going to tax energy out of the energy business, including consumers that use energy. I guess next year, Mr. Speaker, we'll all wonder why we're just freezing in the dark because we don't have any energy because it all left town.

And that's just the way it is.

#### SECURITY CHALLENGES ARISING FROM THE GLOBAL FINANCIAL CRISIS

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

Mr. SKELTON. Mr. Speaker, students of history know that hyperinflation in Germany was a significant factor in the rise of Hitler. The economic decay of the Soviet Union led to

regime change across Eastern Europe. And a serious economic crisis preceded the French Revolution. So the record is clear that economic crises can have consequences for national security of the highest order. Here in the United States, our economic strength has always been the foundation of our national power and our national security. Economics plays no less important a role in the fate of many other nations.

Knowing this, the House Armed Services Committee decided to explore how the current global financial crisis is affecting national security by holding a hearing last week with a distinguished panel of economic and national security experts. We had been working to hold such a hearing since November, but the urgency of this effort was only emphasized when the Director of National Intelligence, Admiral Dennis Blair, stated in this annual threat assessment that the global financial crisis represents the primary near-term concern for U.S. national security. During our hearing, we learned more about the many ways the world has been thrown into serious turmoil by this sudden global shock and that many if not most of the international consequences are yet to come.

We learned that, at a minimum, the global financial crisis will exacerbate an already growing set of political and economic challenges facing the world. In country after country, the crisis is increasing citizen discontent and anger toward their leaders and providing an excuse for authoritarian regimes to consolidate their power. It distracts and strains our allies and generates conditions that could provide fodder for terrorism. Financial turmoil can loosen the fragile hold that many countries have on law and order and increase the number and size of ungoverned spaces.

While most of the experts we heard from agree that the strongest economies will weather this storm, it is the fragile states that worry me the most. Emerging democracies throughout Eastern and Central Europe, Africa, and Asia will turn to the Western world for support. If we cannot or do not help them, they may be forced into economic alliances of necessity with long-term consequences. When Iceland recently turned without success to its friends in the West, it found a "new friend" in Russia. Jamaica has received significant financial assistance from China. The list of countries in critical regions in need of such assistance is long indeed. Economic pressures within European countries might even become so severe as to seriously weaken or unravel the ties that bind the countries of the European Union and NATO Alliance together.

Perhaps most serious, at a time when U.S. leadership is sorely needed, our international credibility is at an unprecedented low. The crisis is causing the emerging nations to question the Western model of market capitalism. Flawed policies, poor decisions, weak

regulation, and questionable behavior have led to a widespread perception that American-style capitalism is unsustainable. This perception may be the most corrosive effect of the current crisis.

Mr. Speaker, our response to the global economic crisis must be far reaching and far seeing. We must restore our economy, maintain and enhance our key instruments of national power, including the Department of Defense, and take an approach with the world that reestablishes our credibility and claim to world leadership. We must support our friends and maintain our alliances. We must not become so self absorbed that we fail to recognize our long-term strategic interests. And we must be very clear, in today's world a strong national defense is not a luxury, it is an imperative.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1388, GENERATIONS INVIGORATING VOLUNTEERISM AND EDUCATION ACT

Mr. HASTINGS of Florida, from the Committee on Rules, submitted a privileged report (Rept. No. 111-39) on the resolution (H. Res. 250) providing for consideration of the bill (H.R. 1388) to reauthorize and reform the national service laws, which was referred to the House Calendar and ordered to be printed.

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 PLIGHT OF THE IRAQI REFUGEES CONTINUES

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

Ms. WOOLSEY. Mr. Speaker, the President has announced a plan to re-deploy troops from Iraq, and if you're watching the nightly news or pick up a paper, you might think that the occupation was actually over. But when was the last time you saw a major TV news story from Iraq or some ink at least above the fold about Iraq?

Sadly, the United States' occupation of Iraq is far from over. The need still remains for a stable nation and a stable Iraqi Government that is able to provide basic services and a sense of normalcy and support of the rule of law for everyone in Iraq.

Almost 6 years ago today, the United States military was mobilized in a preemptive attack on Iraq. By now we all know there were no weapons of mass destruction. However, destruction was left in the wake of the invasion. Both the Iraqi and American Governments