must focus on these immediate pressing human needs rather than continuing military presence. A prolonged occupation is not the answer. Prosperity and stability will not come at the end of a gun. We must support reconstruction. We must support reconciliation efforts. And we must find the best way out of Iraq so that we can begin all of this. And the best way is by bringing our troops and military contractors home from Iraq so then we can give Iraq back to the Iraqis and work with them to rebuild reconciliation and to return to their homes.

Families face unimaginable hardships, from widespread violence and suicide attacks to the destruction of their schools, their hospitals, and utility providers. Some of the devastation can be and is actually visible, and it's rubble that still litters the streets and walled-off sections of neighborhoods.

The more difficult picture to capture is that of the refugees. Millions have fled their homes never to return. Nationwide there are between 1.6 million and 2.8 million internally displaced people, refugees who left their homes but not Iraq. According to the International Organization of Migration, only 288,000 have returned home. Refugees International calls this one of the largest humanitarian and displacement crises in the world. They say ''most are unable to access their food rations and are often unemployed; they live in squalid conditions, have run out of resources, and find it extremely difficult to access essential services.''

Mr. Speaker, the Iraqi Government has established a program to reimburse Iraqi families who have lost their homes. Most families get about half of their home's value, and that's when someone can safely come into the area to assess the damage. This process is slow going and will never make these families whole.

But to what are Iraqi families returning? Refugees International found that some Iraqis who have tried to return home have found their homes occupied or destroyed, the likelihood of violence still high, a collapse of social services, and neighborhoods divided into sectarian areas.

Sadly, the U.S. occupation has caused this to happen. But the good news is we have a chance to bring our troops home, give Iraq back to the Iraqi people, and let them have their sovereignty and let them get home to their properties. We need to help them do that. What we don't need to be doing is spending more money on the military occupation in Iraq.

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

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. MCHENRY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

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

(Mr. HALL of New York addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

THE AIG CASINO

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

Mr. SHERMAN. Mr. Speaker, the AIG Financial Products unit created a casino. At that casino, people were invited to bet on credit default swaps. Smart people went to that casino, the largest financial institutions, the richest and the most powerful in the world. They were smart. They bet against the mortgage market of the United States. They won. But they broke the bank.

Now when ordinary gamblers break the bank, they have to settle for less than their full winnings. But these, as I said, are the most rich and powerful and best—connected institutions in the world, and they want everything the contract calls for. And that is why American taxpayers have provided $170 billion in payments and risk assumption so that these gamblers would be paid.

That is not how capitalism is supposed to work. When you're owed money by an insolvent financial institution, that institution is supposed to be in receivership. Those who have insured accounts or insured life insurance policies get paid; everybody else takes a substantial haircut. But, instead, Wall Street is telling us that there is this sanctity of contract; so they must get every penny that Wall Street is supposed to get under the contract.

Wait a minute. Sanctity of contract? Every bankruptcy, every receivership involves setting aside virtually every contract of the insolvent financial institution. And when Richard Nixon was President, he, through wage and price controls, shredded every wage contract in this country.

Receivership is the way to clean up the balance sheets of our financial institutions. But we're not focused on it because it costs the shareholders, it costs the creditors, it costs management, and they would rather give us a ''solution'' that costs the American taxpayer.

Receivership means that you strip some liabilities off the balance sheet. That is the way to strengthen the balance sheet of our financial institutions. Instead, we're told that the way to improve these balance sheets is to take assets off the balance sheet, albeit the so-called toxic assets. There's nothing the matter with those assets except they're worth less than they used to be. You do not strengthen financial institutions by taking their assets. You strengthen them by putting them in receivership and removing their liabilities.

Now we're focused on the bonuses being paid to the croupiers of this AIG casino. Receivership would have been the clearest way to prevent those payments from being made, but we weren't told about those outrageous bonuses until hours before they were distributed.

□ 1600

Now all that money is in the hands of the executives. No doubt they have got them in Cayman Island accounts as we speak.

Those bonuses should have been disclosed to us, but there is something this Congress can do, and that is through the Tax Code. Impose on the executives of all TARP bailed-out firms a special surtax on that portion of their compensation which is excess.

I think that ought to be the portion in excess of $500,000, excluding restricted stock. That is the exact standard put forward by President Obama for his toughest standard on executive compensation.

That tax could be at the 60, 70, 80 percent level, and those executives who did not want to pay the tax could, instead, return the excess portion of their compensation to their employer. It is important that this tax law apply not only to those who received excess payments in 2009, but also those who received the excess payments in 2008.

We have a precedent for having excess profits taxes. We can have a special tax on excess compensation.

We also, though, need to put AIG and others into receivership because this is the way we can deal, not with the bonuses, which are in the hundreds of millions of dollars, but deal with the tens and hundreds of billions of dollars of taxpayer money that are being disbursed to the wealthiest financial institutions of the world, including tens of billions of dollars going overseas.

In order to get this economy moving again, we need banks and other financial institutions with strong balance sheets. The way to get strong balance sheets is to write down liabilities, not to ''get rid of'' certain assets by calling them toxic assets. It is unlikely that we will pursue this plan because it will lead to substantial losses for the most powerful, richest and best-connected institutions and individuals in this country, but it is the way for us to go forward.

I look forward to working with my colleagues to getting to a plan that serves Main Street, not Wall Street.