

will not be raised to pay the bill, fortunately. There will be no offsets or spending reductions to pay the bill. Welfare and entitlement spending is sacrosanct, spending for the war in Iraq and the military industrial complex is sacrosanct, but there is no guarantee that gracious foreign lenders will step forward, especially without raising interest rates. This means the Federal Reserve and the Treasury will print the money needed to pay the bills.

The sad truth is that monetary debasement hurts the poor people the most, the very people we saw on TV after Katrina. Inflating our currency hurts the poor and destroys the middle class, while transferring wealth to the ruling class. This occurs in spite of the good intentions and the misplaced compassion.

We face a coming financial crisis. Our current account deficit is more than \$600 billion annually. Our foreign debt is now more than \$3 trillion. Foreigners now own over \$1.4 trillion of our Treasury and mortgage debt. We must borrow \$3 billion from foreigners every business day to maintain our extravagant spending. Our national debt is now increasing over \$600 billion per year; and, guess what, we print over \$600 billion per year to keep the charade going. The national debt is approaching \$8 trillion, but there is a limit, and I am fearful we are fast approaching it.

Runaway inflation is a well-known phenomenon. It leads to political and economic chaos of the kind we witnessed in New Orleans. Hopefully, we will come to our senses and not allow that to happen, but we are vulnerable, and we have only ourselves to blame.

The flawed paper money system in existence only since 1971 has allowed for the irresponsible spending of the past 30 years. Without a linkage to gold, the Washington politicians and the Federal reserve have no restraints placed on their power to devalue our money by merely printing more to pay the bills run up by the welfare-warfare State.

This system of money is a big contributing factor in the exporting of American jobs, especially in the manufacturing industries.

Since the last link to gold was severed in 1971, the dollar has lost 92 percent of its value relative to gold, with gold going from \$35 an ounce to \$450 per ounce.

A major adjustment of the dollar and the current account deficit can come anytime, and the longer the delay the greater the distortions will be in terms of a correction. In the meantime, we give leverage to our economic competitors and our political adversaries, especially China.

The current system is held together by a false confidence in the U.S. dollar that is vulnerable to sudden changes in the economy and political events.

This is my suggestion to my colleagues. Any new expenditures must

have offsets greater in amount than the new programs. Foreign military and foreign aid expenditures must be the first target. The Federal Reserve must stop inflating the currency merely for the purpose of artificially lowering interest rates to perpetuate a financial bubble.

This policy allows government and consumer debt to grow beyond sustainable levels, while undermining incentives to save. This, in turn, undermines capital investment, while exaggerating consumption. If this policy does not change, the dollar must fall, and the current account deficit will play havoc until the house of cards collapse.

Our spending habits, in combination with our flawed monetary system, if not changed will bring us a financial whirlwind that will make Katrina look like a minor storm. Loss of competence in the dollar and the international financial system is a frightening possibility, but it need not happen if Congress can curb its appetite for buying the people's support through unrestrained spending.

If Congress does not show some sense of financial restraint soon, we can expect the poor to become poorer; the middle class to become smaller; and the government to get bigger and more authoritarian—while the liberty of the people is diminished. The illusion that deficits, printing money, and expanding the welfare and warfare states serve the people must come to an end.

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

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

RECOGNIZING THE ARMENIAN GENOCIDE

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

Mr. SCHIFF. Mr. Speaker, today, in the Committee on International Relations a remarkable thing happened. Not one but two resolutions recognizing the facts of the Armenian genocide passed out of the committee with strong bipartisan support, indeed with the support of both the gentleman from Illinois (Mr. HYDE), the chairman, and the gentleman from California (Mr. LANTOS), the ranking member.

One of those resolutions I introduced to recognize the first genocide of the 20th century, the genocide which claimed the lives of 1.5 million Armenian men, women and children. The facts of that genocide are clear. The facts of genocide are incontrovertible. They are borne out in thousands of pages of documents in our own archives. They are borne out in the words and the transmitted telegrams of our Ambassador, Henry Morgenthau, at the time.

The only obstacle that the Congress has faced, and it has been a formidable one, in recognizing the Armenian genocide is the resistance of the Republic of Turkey, the well-documented efforts of its powerful lobbyist, and the feeling of some that, by recognizing what all historians have recognized, that we will somehow jeopardize our relations with an ally.

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I have never taken issue with the fact that Turkey is an ally to the United States. It is an ally. It is at a strategic crossroads. It is an important member of NATO. At the same time, we cannot equivocate about the murder of 1.5 million people; and the differences that we have had with Turkey, and they have been considerable, over a whole host of issues have not ruptured our relationship.

During the run-up to the Iraq war, many of my colleagues will remember, we sought the permission of Turkey to allow American and Coalition ground forces to enter Iraq through Turkey. The Turkish Parliament voted on that, and they voted against it. That was of enormous significance to this country.

As a result of that, we could not open that second northern front; as a result of that, many melted away to the Iraqi population, many of the insurgents that we now fight with so bitterly. That had enormous consequences, but it did not end the relationship with the United States, and recognition of the historic facts of the genocide will not end the relationship with Ankara, either. There are strong mutual interests at stake which will transcend the recognition of the historic facts.

In the past, American leaders have recognized the genocide. Ronald Reagan spoke eloquently of the facts of the genocide. Winston Churchill in his memoirs documents the murder of hundreds of thousands of Armenians in a crime at the time that was unequalled. Yet here we are, fresh from recognizing, as indeed we should and as indeed we must, the genocide going on in Darfur, but unwilling to recognize the murder of 1.5 million Armenians.

What does that say about American policy? Can our policy be that we will recognize genocide when it is committed by the politically impotent, as in the case of Sudan, but not in the case of the politically powerful as in the case of the Ottoman Empire and its Turkish successors? This certainly cannot be the policy of the United States. We must recognize unequivocally that, beginning in 1915, 1.5 million people were murdered merely because of who they were as a people, the very definition of genocide.

With the passage of these resolutions, with the support of the chair and the ranking member, with the overwhelming support on both sides of the aisle in committee, I hope that we can get a vote on the House floor, something we have not had in more than a decade, so that we can once again reestablish the moral authority and clarity

that comes with recognizing genocide, past or present, foe or friend, alike. I urge the Members of this House to join in an effort to call upon the leadership to hear the genocide resolution, and I hope the leadership will heed that call.

The SPEAKER pro tempore (Mr. DAVIS of Kentucky). 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.)

ANGELS IN ADOPTION AWARD

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

Ms. FOXX. Mr. Speaker, this week we have had a lot of focus on various sad issues, but there was a wonderful situation that occurred in Washington this week: people came from all over the country for a program called Angels in Adoption.

There was a wonderful couple from the fifth district who came to receive the Angels in Adoption award, George and Brenda Ball. I nominated them for this award and had the opportunity to talk with them and meet with them while they were here. They are a wonderful couple who have taken into their home a lot of children who need love and care, and I would like to share parts of an article written about them from the Winston-Salem Journal and hold them up to ourselves and to others for the great work that they are doing. They live in a little town called Tobaccoville, and here is part of the article:

"When George and Brenda Ball hear of a child in trouble, they open their arms. Never mind that, before they married in 1980, he had already raised five children and she had raised three. Never mind that they are great grandparents in their 60s. Their house still rings with the voices of children. Over the past 19 years, they have cared for about 30 foster children and adopted seven of them, most with special needs. They plan to adopt their current foster child, an 18-month-old girl . . .

"I see it as an award for Forsyth County and North Carolina and for all the foster parents and adoptive parents," Brenda Ball said. "I'm just thrilled to death."

"The Balls took in their first foster child, Kelly, in 1986. 'We just didn't have any children in the home,' Brenda Ball, said. 'We kept hearing all these horrible stories about children being abused and neglected.'

"The decision to adopt Kelly was a hard one, she said. 'We weren't sure we were ready to commit the rest of our lives to having children around,' but they did not want to put Kelly through

any more heartache so they decided to keep her. Kelly is now 21 and married. After Kelly, the decision to adopt became easier.

"Next came Eugene, 22, who now lives nearby with his biological mother. The Balls have always encouraged their adopted children to stay in touch with their biological families and are willing for them to be reunited if the parents are able to care for them.

"With Kelly and Eugene in the house, Brenda Ball decided to retire from her job in reservations with U.S. Airways. George Ball is retired from the Winston-Salem/Forsyth County schools, where he was an assistant supervisor in housekeeping, and from the Air Force.

"We made the decision that, with all their needs, it was more important to be here for them,' Brenda Ball said. 'We just decided that children needed us more than we needed the money.'

"And the children kept coming. The Balls asked for children with medical problems because they knew they could handle them. Most of their adopted children had mild to severe medical problems caused by premature births and the effects of alcohol and drugs that their biological mothers used when they were pregnant.

"George Ball, 68, roller blades and plays basketball with the children. His wife stays on the move.

"The Balls have served as surrogate parents to the children in their neighborhood. 'I never know when I cook a meal how many will sit there or how many shifts will run,' she said.

"She is happy to think that her children are not among the many who have to worry about where their next meal will come from, or who move every month when the rent comes due, or who lie awake at night listening to their parents fight over drugs. 'There is nothing sadder than a kid wanting a family,' she said. 'That is why I have ended up having eight.'"

We are so fortunate to have wonderful people like George and Brenda Ball and all the Angels in Adoption, and I salute them tonight.

FEMA

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

Mr. DEFAZIO. Mr. Speaker, I have before me a speech given by James Lee Witt who was the director of the Federal Emergency Management Agency during the Clinton administration. It is actually testimony given on May 22, 2004. I think it is very relevant to the debate we had here today about what went wrong and how we are going to fix it and how we are going to understand what went wrong.

Basically, Mr. Witt predicted what happened. Here is some of his testimony.

Particularly on this issue of Department of Homeland Security and FEMA as an independent agency as the orga-

nization that responded for 8 years to the American people's needs in a customer-served focused way, that has been destroyed. It is not there now. It is buried down in the bottom of a huge bureaucracy. It now has no communications within the agency itself, nor does it have communications with State and local government where, before, we had a partnership working with State and local governments.

There is not even communications from FEMA headquarters in Washington to their 10 regional offices. FEMA employees call me constantly. They have got so many vacant offices within FEMA headquarters now that I doubt they could respond to a catastrophic event.

This was testimony on May 22, 2004. Because, when we left in 2001, FEMA was ranked as one of the top agencies in the Federal Government to work for. Just recently in the Washington Post, it was ranked dead last at 28. The morale within the agency is so bad some of the senior level people have quit, some that have the historical knowledge and capabilities to respond, recover, repair, everything the agency did. Our Nation right now suffers on the interoperability of public safety communications. It is zero.

This is James Lee Witt, May 22, 2004, talking about the state of the Federal Emergency Management Agency that this administration had said of the former director, Brownie, you're doing a great job. Of course, Brownie is now gone. But it is a much bigger problem than Brownie, the political hack appointed by the President to head this agency, which had been downgraded, underfunded, and basically dismissed by the Bush administration. It is a problem that is of tremendous magnitude.

Today, the House voted to investigate itself. I doubt that we will get an honest report out of the Republican majority here.

We offered an amendment on the floor. We said: if you put FEMA into this bureaucracy, you will degrade its capabilities. On a virtually partisan line vote, I think 10 brave Republicans voted with us, that amendment was rejected. I guess we were a little bit wrong. It is even worse and quicker than we could have thought that FEMA has been destroyed. It is extraordinary.

I hear so many speeches on the floor every night. One gentleman ended tonight with: "We will never forget 9/11." We will not forget 9/11? What was the most basic lesson of 9/11 that killed many first responders who could have survived? The fact that they did not have secure interoperable communications. And what has the response of this administration been? The President recommended zero dollars to assist local communities, sheriffs, police, fire, emergency personnel to purchase interoperable or upgrade to interoperable communications in his budget this year. And the appropriations moved through this House doing the same.