

# Ron Paul's FREEDOM REPORT

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**Wednesday, January 30, 2008**

*Dr. Paul addresses the  
U.S. House of Representative*

## **Statement on H.R. 5104**

*A bill to extend the Protect  
America Act of 2007 for 30 Days*

Madame Speaker, I rise in opposition to the extension of the Protect America Act of 2007 because the underlying legislation violates the US Constitution.

The mis-named Protect America Act allows the U.S. government to monitor telephone calls and other electronic communications of American citizens without a warrant. This clearly violates the Fourth Amendment, which states:

“The right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.”

The Protect America Act sidelines the FISA Court system and places authority over foreign surveillance in the director of national intelligence and the attorney general with little if any oversight. While proponents of this legislation have argued that the monitoring of American citizens would still require a court-issued warrant, the bill only requires that subjects be “reasonably believed to be outside the United States.” Further, it does not provide for the Fourth Amendment protection of American citizens if they happen to be on the other end of the electronic communication where the subject of surveillance is a non-citizen overseas.

We must remember that the original Foreign Intelligence Surveillance Act was passed in 1978 as a result of the U.S. Senate investigations into the federal government’s illegal spying on American citizens. Its purpose was to prevent the abuse of power from occurring in the future by establishing

guidelines and prescribing oversight to the process. It was designed to protect *citizens*, not the government. The effect seems to have been opposite of what was intended. These recent attempts to “upgrade” FISA do not appear to be designed to enhance protection of our civil liberties, but to make it easier for the government to spy on us!

The only legitimate “upgrade” to the original FISA legislation would be to allow surveillance of conversations that begin and end outside the United States between non-U.S. citizens where the telephone call is routed through the United States. Technology and the global communications market have led to more foreign-to-foreign calls being routed through the United States. This adjustment would solve the problems outlined by the administration without violating the rights of U.S. citizens.

While I would not oppose technical changes in FISA that the intelligence community has indicated are necessary, Congress should not use this opportunity to chip away at even more of our constitutional protections and civil liberties. I urge my colleagues to oppose this and any legislation that violates the Fourth Amendment of the Constitution.

**Wednesday, February 27, 2008**

*Dr. Paul addresses the  
Financial Services Committee Hearing*

## **Monetary Policy and the State of the Economy**

A topic that is on the lips of many people during the past few months, and one with which I have greatly concerned myself, is that of moral hazard. We hear cries from all corners, from politicians, journalists, economists, businessmen, and citizens, clamoring for the federal government to intervene in the economy in order to forestall a calamitous recession. During the boom, many of these same individuals called for

**Ron Paul's  
TEXAS STRAIGHT TALK**

February 17, 2008

**If We Subsidize Them...**

no end to the Fed's easy credit. Now that the consequences of that easy money policy are coming home to roost, no one wants to face those ill effects.

We have already seen a plan from the administration to freeze mortgages, a plan which is alleged to be only a temporary program. As with other programs that have come through this committee, I believe we ought to learn from history and realize that "temporary" programs are almost anything but temporary. When this program expires and mortgage rates reset, we will see new calls for a rate-freeze plan, maybe for two years, maybe for five, or maybe for more.

Some drastic proposals have called for the federal government to purchase existing mortgages and take upon itself the process of rewriting these and guaranteeing the resulting new mortgages. Aside from exposing the government to tens of billions of dollars of potentially defaulting mortgages, the burden of which will ultimately fall on the taxpayers, this type of plan would embed the federal government even deeper into the housing market and perpetuate instability. The Congress has, over the past decades, relentlessly pushed for increased rates of homeownership among people who have always been viewed by the market as poor credit risks. Various means and incentives have been used by the government, but behind all the actions of lenders has been an implicit belief in a federal bailout in the event of a crisis.

What all of these proposed bailouts fail to mention is the moral hazard to which bailouts lead. If the federal government bails out banks, investors, or homeowners, the lessons of sound investment and fiscal discipline will not take hold. We can see this in the financial markets in the boom and bust of the business cycle. The Fed's manipulation of interest rates results in malinvestment which, when it is discovered, leads to economic contraction and liquidation of malinvested resources. But the Fed never allows a complete shakeout, so that before a return to a sound market can occur, the Fed has already bailed out numerous market participants by undertaking another bout of loose money before the effects of the last business cycle have worked their way through the economy.

Many market actors therefore continue to undertake risky investments and expect that in the future, if their investments go south, that the Fed would and should intervene by creating more money and credit. The result of these bailouts is that each successive recession runs the risk of becoming larger and more severe, requiring a stronger reaction by the Fed. Eventually, however, the Fed begins to run out of room in which to maneuver, a problem we are facing today.

I urge my colleagues to resist the temptation to call for easy fixes in the form of bailouts. If we fail to address and stem the problem of moral hazard, we are doomed to experience repeated severe economic crises.

For decades we have welcomed new immigrants to our American "melting pot." We respect those who come here peacefully to pursue their American Dream. But Americans have noticed lately that modern problems associated with illegal immigration are at a crisis point. Taxpayers are now suffering the consequences.

Costs of social services for the estimated 21 million illegal immigrants in this country are approaching \$400 billion. We educate 4.2 million children of illegals at a cost of \$13.8 billion. There have been almost 2 million anchor babies born in this country since 2002, with labor and delivery costs of between \$3 and 6 billion. There are currently 360,000 illegals in our prisons and we have spent \$1.4 billion to incarcerate them since 2001. In Prince William County near D.C., ICE can't deport criminal illegals fast enough and has actually asked its local jails to slow down on referring them. Jurisdiction over illegal immigration lies at the federal level, yet many municipalities are struggling with the compounding problems of mandated costs and tied hands. My office has heard from at least one sheriff in my district considering seeking compensation from the Federal government for the cost of so many illegal immigrant inmates that wouldn't be here if the Federal government was doing its job and protecting our borders. The problems are widespread.

One thing is certain: If we subsidize them, they will come. We have rolled out the social services red carpet, so it is no surprise that many from other countries are eager to come take advantage of our very generous system.

We must return to the American principle of personal responsibility. We must expect those who come here to take care of themselves and respect our laws. Not only is this the right thing to do for our overtaxed citizens, but we simply have no choice. We can't afford these policies anymore. Since we are \$60 trillion in debt, there should be no taxpayer-paid benefits for non-citizens. My bill, the *Social Security for American Citizens Only Act*, stops non-citizens from collecting Social Security Benefits. This bill, by the way, picked up three new cosponsors this week and is gaining momentum. Also, we should not be awarding automatic citizenship to children born here minutes after their mothers illegally cross the border. It just doesn't make sense. The practice of birthright citizenship is an aberration of the original intent of the 14th amendment, the purpose of which was never to allow lawbreakers to bleed taxpayers of welfare benefits. I have introduced HJ Res 46 to address this loophole.

Other Western countries such as Australia, France, and England have stopped birth-right citizenship. It is only reasonable that we do the same. We must also empower local and state officials to deal with problems the Federal government can't or won't address. Actions like this are a matter of national security at this point.

Illegal immigration is draining and frustrating the American taxpayer. I will continue to work for a solution that does not reward those who break our laws.

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### **Ron Paul's TEXAS STRAIGHT TALK**

February 10, 2008

#### **Second Amendment Battle in D.C.**

As a United States Congressman, I take my oath to uphold all of the Constitution and the Bill of Rights very seriously. Unfortunately, too many in Washington D.C. believe they can pick and choose which provisions of the Constitution they can uphold. For example, many politicians, judges, and bureaucrats believe they have the power to disregard our right to own guns, even though the Second Amendment explicitly guarantees the people's right to "keep and bear arms."

Like the Founding Fathers, I believe that the right to keep and bear arms is fundamental to a free society. Where law-abiding citizens are most freely allowed to defend themselves, communities are safer, while crime rises when law-abiding people's access to firearms is restricted. Gun laws only disarm those who respect the law. Those with criminal tendencies do not turn in their weapons and reform their ways because government bureaucrats enact statutes that tell them to. Gun control laws turn peaceful citizens into sitting ducks for criminals to prey upon.

Ironically, one of the most draconian gun laws in the nation is in the nation's capital. Banning guns did not make D.C. safer. In fact, crime in D.C. rose after the gun ban went into place! Fortunately, last year, a federal court struck down D.C.'s gun ban in the case of *D.C. v. Heller*. This is the first time in years a court found a gun control law violated the second amendment. However, victory is not secured. The city of D.C. has appealed and the Supreme Court has agreed to hear the case. If the lower court's decision is upheld, law abiding citizens should once again be allowed to defend themselves in D.C. and I would expect it to become a much safer city. It would also set a very positive precedent that could affect gun laws all over the country.

However, a Supreme Court decision that the District of

Columbia's gun laws are a "reasonable" infringement on constitutional rights could severely setback the gun rights movement.

This is why I have signed on to a brief headed by Texas Senator Kay Bailey Hutchison and signed by a majority of Congress asking the Supreme Court to uphold the lower court's decision and take a stand for stricter standards of constitutional review for gun laws. I am pleased to work with Senator Hutchison, and so many of my other colleagues, on this important issue. As a member of the Second Amendment Caucus, I will continue to work with those of my colleagues who support gun rights and grassroots activists to defend the Second Amendment Rights of Americans.

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### **Ron Paul's TEXAS STRAIGHT TALK**

March 9, 2008

#### **Can Foreign Aid Save Africa?**

Congress is poised to pass the President's Emergency Plan for AIDS Relief (PEPFAR) authorizing up to \$50 million in unconstitutional foreign aid. The bill passed out of the Foreign Affairs Committee with a bipartisan agreement to nearly double the President's requested amount. It is always distressing to see officials in our government reach across the aisle to disregard Constitutional limitations.

Much of this aid will run through government-to-government channels and will be vulnerable to corruption. Some of the aid will be sent to faith-based organizations who, along with accepting government largess, will now be subject to governmental controls and will soon become more dependent on taxpayer funding than private funds. If they accept the aid, they must be careful of the vague language regarding what types of programs they can run. For example, the requirement that 33% of any funding received must go toward abstinence-only programs has been dropped and replaced with a 50% requirement toward behavior change. Many humanitarian organizations are incensed by the politicized requirements placed on their work, and feel they are being forced to continue failed programs at the expense of more effective ones.

The obvious question remains: Why are politicians in the United States deciding what is best for people in Africa? And why are taxpayers in the United States being forced to fund—for example—family planning facilities that perform abortions?

In fact, Afrobarometer, a leading source of data on public attitudes in Africa asked Africans what their main developmental concerns were. They found that Africans are

much more concerned about jobs, agriculture and basic infrastructure than they are about health issues like AIDS. Africans should decide what is best for Africa . American taxpayers should decide what charities deserve their money. Forcibly taking money from the United States and sending it overseas is unconstitutional and immoral.

The energy that lobbying groups and celebrities expend for charitable causes here on the Hill could be better put to use actually addressing problems. It is sadly symptomatic of the trend toward bigger government that instead of private fundraising efforts, people put their hand out to Congress. It is unfortunate that some activists prefer funding taken by force, to donations freely given.

These efforts, though well-meaning, are misguided. The truth is all the foreign aid in the world will not transform Africa into a thriving, healthy continent. The economic growth of Africa depends on African entrepreneurs, liberalized trade policies, and political and economic freedom. The best thing we could possibly do for Africa and for our own country, is to stop sending misguided aid, and stop protectionist trade practices that prevent African farmers and producers from competing in our markets. Perhaps then Africa's leaders would focus less on how to get aid out of the United States, and more on the economic vitality of their own countries.

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**Ron Paul's  
TEXAS STRAIGHT TALK**

February 3, 2008

**Paving Paradise**

The Constitution guarantees Americans the right to be secure against all unreasonable seizures. My home state of Texas is unfortunately planning on some very unreasonable seizures of land with the monstrous Trans Texas Corridor highway project. The TTC plans call for a highway to cut through about 4,000 Texas miles, and with separate rail lines for passenger and freight, a multi-lane highway with separate truck lanes, utility and cable easements, this highway could be as wide as 1200 feet across. In the end this project would consume something like half a million acres of land in Texas. However, since the exact path of the road has not been determined, it is putting much more acreage in jeopardy, and in limbo.

Taking land is destructive enough. But the perpetual threat of taking an undetermined amount of land is hanging over the heads of millions of Texans and putting their lives at a standstill. Land is a store of wealth and a source of stability. This highway project is tragically threatening that for so many Texans.

The principle of private property is the cornerstone to a free and prosperous society. In situations where a colossal government land grab is a distinct possibility, investment or improvement becomes more risky with an uncertain future and tends not to happen. How do you sell land that may or may not be taken by the government at some point in the not too distant future? Who would buy it? How do you cultivate or build on, or even near, land that may or may not be paved over and turned into a massive, noisy thoroughfare in a few years?

Even more insulting is the distinct possibility that, while the road will collect tolls and fees, making a private foreign firm billions of dollars in revenue, the costs of building it could be heavily borne by taxpayers. So the costs will be socialized and the profits privatized. Public-private partnership indeed!

From Washington I have voiced my staunch disapproval of taking these hard-working taxpayers' land for a private toll road, by introducing legislation (HR 5191) that simply states, "No Federal funds appropriated or made available before, on, or after the date of enactment of this Act may be used by a unit of Federal, State, or local government to carry out the highway project known as the 'Trans-Texas Corridor.'" I am working hard in Congress to make sure that no Federal funding is used to undermine property rights in this way.

We should be focusing on guarding and securing our borders for the protection of the American people. Instead we are paving the way for more and more people to cross the border as comfortably as possible. And taking the family farm to do it. It is an absolute outrage.

*Nothing in this publication is intended to aid or hinder the passage of legislation before Congress.*

**About the F.R.E.E. Foundation**

The Foundation for Rational Economics and Education, Inc. is a 501(c)(3) tax-exempt public foundation dedicated to individual liberty and free-market economics. It was founded by Congressman Ron Paul of Texas and publishes his Freedom Report. For more information, or to make a tax-deductible donation write: F.R.E.E., Inc., P.O. Box 1776, Lake Jackson, Texas 77566, or call 979-265-3034.