

WASHINGTON - U.S. Rep. Spencer Bachus (R-AL), in opening comments at today's House Financial Services Committee hearing into the WorldCom scandal, observed that it would be appropriate for Securities and Exchange Commission Chairman Harvey Pitt to give strong consideration to stepping down as chairman of the SEC.

"I will say that there is now some question over whether he is the right person and this is the right time for him to be the chairman of the Securities and Exchange Commission. I say that as supporter of the Bush administration. I say that as a supporter of the job he's done. But we have to have someone heading up that agency who does not have to recuse himself in a significant percentage of the cases before the Securities and Exchange Commission," said Bachus.

Bachus also said, "there are some in Congress who would use this opportunity to undermine our capitalistic system and our free market system. We can't allow that to happen. And the best way not to allow that to happen is for us to be vigilant in defending capitalism but also vigilant in rooting out the excesses and misconduct."

"Because of the urgency of the matter, there cannot be any sacred cows," Bachus added.

The full text of Bachus's opening statement appears below:

"What this hearing and the Enron hearing and all these hearings really boil down to is the accuracy of financial and accounting records. The American people need to have the confidence that those records are accurate. And if they don't have that confidence, it actually undermines something that I'm a strong advocate and supporter of and that's our capitalistic system.

"Now the word capitalism has really taken a beating in the past several months and free market. And in fact, there are some in this Congress who would use this opportunity to undermine our capitalistic system and our free market system. We can't allow that to happen. And the best way not to allow that to happen is for us to be vigilant in defending capitalism but also vigilant in rooting out the excesses and rooting out wrongdoing. That primarily will have to be the job of the Securities and Exchange Commission, not of this Congress. It is the Securities and Exchange Commission that will be doing the investigation.

"Because of the urgency of the matter, there cannot be any sacred cows. We have to do everything we can do to effectively restore the confidence of the American people. In that regard, Chairman Pitt is an honest man, he's a good man, he's capable man and I think he's done a good job at the Securities and Exchange Commission. However, I will say that there is now some question over whether he is the right person and this is the right time for him to be the chairman of the Securities and Exchange Commission. I say that as supporter of the Bush administration. I say that as a supporter of the job he's done. But we have to have someone heading up that agency who does not have to recuse himself in a significant number of cases that are before the Securities and Exchange Commission. We can defend capitalism. We can defend the administration and we can defend the honor of Harvey Pitt and still ask that

question."