By and large, those in the minority have shown, so far, far too little interest in working with us. More important, they have shown far too little interest in working on the interests of their constituents.

Mr. President, I called my office early this morning and asked my faithful assistant, Janice Shelton, to arrange a call for me to talk to the new, soon-to-be Senator from Massachusetts, SCOTT BROWN. I look forward to visiting with him. I look forward to welcoming him to the Senate and asking him that he work with us. It is certainly a conversation I look forward to.

I hope in this new year we will resolve to leave partisan political motivation behind. I hope we will share and renew the motivation to get to work, to legislate for the good of this country.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

SCOTT BROWN VICTORY

Mr. McCONNELL. Mr. President, first, I welcome everyone back after what I hope was a restful time away from Washington. It is good to be here. I can assure everyone that Republicans are energized and eager to pick up where we left off. There is a lot to do, and we are ready.

The news of the day, of course, is that we will soon be welcoming a new Senator into our ranks. It has been a long time—a very long time—since the people of Massachusetts sent a Republican to the Senate. So I congratulate Senator-elect SCOTT BROWN on his decisive victory last night.

I had a chance to speak with him last night. I think it was truly a remarkable turnout and decision on the part of the people of that State.

There is a reason the Nation was focused on this race. The American people have made it abundantly clear they are more interested in shrinking unemployment than expanding government. They are tired of bailouts. They are tired of government spending more than ever at a time when most people are spending less. They do not want the government taking over health care. They made that abundantly clear last night in the Commonwealth of Massachusetts.

This is why Americans are electing good Republican candidates who they hope will reverse a year-long Democratic trend of spending too much, borrowing too much, and taxing too much. The voters have spoken. They want a course correction. We should listen to them.

Today, we will have a chance to show we have gotten the message when we take up legislation that would raise the national debt limit. The reason we are being asked to raise the limit on the national credit card is clear. It is because the majority has spent the past year spending money we do not have on stimulus bills that do not stimulate the economy, on budgets that double the debt in 5 years and triples it in 10. We need to move in a new direction—a dramatically new direction. That is the message of Virginia. That is the message of New Jersey. That is the message of Massachusetts.

Mr. President, I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for 1 hour, with the time equally divided and controlled between the two leaders or their designees and with Senators permitted to speak for up to 10 minutes each.

The Senator from Tennessee is recognized.

HEALTH CARE

Mr. ALEXANDER. Mr. President, Massachusetts voters yesterday sent a clear message that the Democratic majority in Congress is not in touch with the American people and that we ought to restart the health care debate.

Senator-elect SCOTT BROWN's independent voice will provide a much needed check and balance to a Congress that has become dominated by more taxes, more spending, and more cash takeovers. Nothing demonstrates that need more than the so-called health care reform bill, a 2,700-page attempt to remodel 17 percent of the American economy that was concocted in secret, presented to the Senate over the weekend before Christmas during the worst snowstorm in years, voted on in the middle of the night, and passed 5 days later, on Christmas Eve, without one single Republican vote.

Now that the people have spoken in Massachusetts, we should abandon these arrogant notions of trying to turn our entire health care system upside down all at once and, instead, set a clear goal of reducing health care costs and then work together, step by step, to re-earn the trust of the American people—an approach Republican Senators urged exactly 173 different times on the floor of the Senate during last year.

If you will examine the CONGRESSIONAL RECORD, you will find that Republican Senators have been proposing a step-by-step approach to confronting our Nation's challenges 173 different times during 2009. On health care, we first suggested setting a clear goal: reducing costs. Then we proposed the first six steps toward achieving that goal: one, allowing small businesses to pool their resources to purchase health plans; two, reducing junk lawsuits against doctors; three, allowing the purchase of insurance across State lines; four, expanding health savings accounts; five, promoting wellness and prevention; and, six, taking steps to reduce waste, fraud, and abuse.

We offered these 6 proposals in complete legislative text totaling 182 pages. The Democratic majority rejected all six and ridiculed the approach, in part, because our approach was not comprehensive.

A good place to restart the health care debate would be to abandon plans to send a huge bill to States—that is, every State except Nebraska—to pay for Medicaid expansion. The 60 Senators who voted for this so-called health care reform legislation ought to be sentenced to go home and serve as Governor for two terms to try to pay for it because what these Senators would find is that States are broke, and there will either be higher State taxes or higher college tuition or both to pay for what the Democratic Governor of Tennessee has called ''the mother of all unfunded mandates.''

That mandate arrogantly expands Medicaid and, to help pay for it, would send a 3-year, $25 billion bill to Governors who, in turn, will send the bill to State taxpayers and then to college students. That is akin to your big-spending Uncle Sam hiring someone to paint your house and then sending the bill to you, even though you told Uncle Sam you already spent all your available money sending your kid to college. Of course, Uncle Sam does not have to balance its budget and you do.

I speak today not just as a Senator but as a former Governor worried about our States and as a former president of a great public university worried about our college students, many of whom are seeking an education to get a job.

Washington policies are turning our Federal constitutional system upside down. They are transforming autonomous State governments into bankrupt wards of the central government. In doing so, they are making it harder for States to support public higher education; therefore, damaging its quality and damaging the opportunity for Americans to afford it.

Governor Schwarzenegger of California said:

> With a $19 billion deficit, the last thing we need is another $3 billion bill for Medicaid.

At the University of California, students are paying a 32-percent tuition increase. Why? Because, according to the New York Times, ''the University of California now receives only half as much support from the State per student as it did in 1990.''

Why is that? Because when Governors make up their budgets, it usually comes down to a choice between exploding Medicaid costs and higher education, and Medicaid, hopelessly entangled with expensive Washington policies and mandates, usually wins.

This is not a new problem. It was a problem when I was Governor 30 years ago. It became a bigger problem between 2000 and 2006, when Medicaid spending for State governments rose 63 percent, while spending for higher education went up only 17 percent.

The Association of American Universities and President Obama's Budget Director both have warned us that the drop in State support is hurting the quality of American public higher education, and the problem gets worse.

Some estimates predict the State share of Medicaid spending will go from $138 billion in 2007 to $181 billion in 2011. Yet instead of fixing the problem of exploding Medicaid costs and its impact on higher education, the health care bill would make it worse.

Over the Christmas holidays in my State, the most talked about part of the health care bill was the so-called cornhusker kickback, which makes taxpayers and students all over America pay for Nebraska's Medicaid so Nebraskans will not have to raise their taxes and tuition.

I can guarantee you any Senator who is sentenced to go home and serve as Governor—except perhaps in Nebraska—would not vote for this health care bill.

The second recent big blow to States and to higher education has been the stimulus package, which was hailed as bailing States out but instead will soon push them over the financial cliff.

This is how the Democratic Lieutenant Governor of New York explained it in a Wall Street Journal article on January 8. He said:

. . . states, instead of cutting spending in transportation, education, and health care, have been forced to keep most of their expenditures at previous levels and use Federal funds only as supplements. The net result of this: The federal stimulus has led states to increase overall spending in these core areas, which in effect has only raised the height of the cliff from which state spending will fall if stimulus funds evaporate.

On top of all this is the dramatic deterioration of the autonomous role of the States in our Federal system. Thanks, in part, to the stimulus, federally collected tax dollars have risen to 40 percent of State budgets. So instead of serving as autonomous laboratories of democracy in a Federal system, States are becoming little more than heavily regulated and increasingly insolvent administrative divisions of the central government in Washington.

Some are suggesting a new stimulus to bail out the States. Why should we even consider that when the last one is helping to push States off the financial cliff? Why should we pass a new health care bill that makes it worse for States; that is, every State except Nebraska.

Wouldn't it be better to restart the health care debate and take a series of steps to reduce health care costs without the Medicaid mandate?

Instead of expanding Medicaid and sending the States the bill, why not reform Medicaid, which has become an embarrassing administrative nightmare, where $30 billion a year goes to waste, fraud, and abuse, according to the Government Accountability Office.

Instead of dumping 15 million to 18 million more low-income Americans into a Medicaid Program, in which 50 percent of doctors—50 percent of doctors—will not take new patients, shouldn't we try a better idea?

Lieutenant Governor Ravitch suggests that one place to start is relieve States of the responsibility for those patients who draw services from both Medicare and Medicaid.

That would save States about $70 billion a year and would place all the responsibility on Washington for reforming the program so taxpayers could afford it.

Thirty years ago, when I was Governor, I met with President Reagan and proposed a grand swap: that the Federal Government would take over all of Medicaid in exchange for giving the States all the responsibility for elementary and secondary education. President Reagan liked the idea. I still think fixing the responsibility for both education and Medicaid in a single government would make it work better and force its reform.

The No. 1 topic on the minds of most Americans today is jobs. Running up the cost of health care, raising State taxes, damaging the quality of universities and community colleges, and restricting access to them is a good way to kill jobs, not create jobs.

There still is time to restart the health care debate, to work together on a step-by-step plan to reduce health care costs, while avoiding expensive mandates on States that increase State taxes and increase college tuitions. The surest way to cause this to happen is to tell those 60 Senators who voted for this health care bill that if it becomes law, they will be sentenced to go home and serve as Governor for two terms to try to pay for it.

Mr. President, I ask unanimous consent to have printed in the RECORD three newspaper articles.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 7, 2010]

WASHINGTON AND THE FISCAL CRISIS OF THE STATES—THE STRINGS ON FEDERAL STIMULUS MONEY ARE MAKING IT HARDER FOR STATES TO CUT SPENDING AND BALANCE THEIR BUDGETS

(By Richard Ravitch)

As one whose interest in public service stems largely from the conviction that government can make a positive difference in people's lives, I have found the past year a paradox. From the financial crisis to health-care reform, the federal government has taken on challenges that urgently need to be addressed. Yet despite these actions—and sometimes because of them—the states, which provide most of the services that touch citizens' lives, are in their deepest crisis since the Great Depression. The state crisis has become acute enough to belong on the federal agenda.

New York State faces a budget deficit that could climb to $8 billion or $9 billion in fiscal year 2010–11 and the state could face another deficit in 2011–12 of about $14 billion to $15 billion. The causes of the larger deficits down the road include a drop off in federal stimulus funds, an increase in Medicaid costs, and the planned expiration of a state income tax surcharge, as well as the state's underlying structural deficit.

New York is in a tough spot, but few other states are immune from large and growing deficits. According to the Center on Budget and Policy Priorities, the states have faced and will face combined budget shortfalls estimated at $350 billion in fiscal years 2010 and 2011. Past experience suggests that these deficits will continue even if a national economic recovery takes hold. Moreover, we do not know how robust the recovery will be or what shape it will take. We know only that it will not spare the states the necessity of making acutely painful fiscal choices. New York and other states face draconian cuts in public services, higher taxes, or, more likely, a combination of both.

The federal stimulus has provided significant budget relief to the states, but this relief is temporary and makes it harder for states to cut expenditures. In major areas such as transportation, education, and health care, stimulus funds come with strings attached. These strings prevent states from substituting federal money for state funds, require states to spend minimum amounts of their own funds, and prevent states from tightening eligibility standards for benefits.

Because of these requirements, states, instead of cutting spending in transportation, education, and health care, have been forced to keep most of their expenditures at previous levels and use federal funds only as supplements. The net result is this: The federal stimulus has led states to increase overall spending in these core areas, which in effect has only raised the height of the cliff from which state spending will fall if stimulus funds evaporate.

Until recently, some people predicted that the stimulus funds would not evaporate—that instead the federal government would rescue the states once more with another stimulus bill. But the prospect of this kind of help looks doubtful as an increasing number of lawmakers in Washington worry about the federal deficit and seem intent on taking serious steps to rein it in.

If those steps include neglecting the fiscal situation facing the states, the country could be headed for fiscal problems that are larger than the ones we face now. We are in a time of extraordinary economic change and Washington is struggling with the sometimes-conflicting demands of the federal deficit and the unemployment rate. But the states' growing deficits present their own urgent national problem that the federal government must place in the balance.

Federal policy makers do not have the option of assuming that the state fiscal crisis is temporary or will cure itself without further involvement by Washington. This crisis reflects the growing long-term pressures on the states from the health-care needs of an aging population and the maintenance needs of an aging infrastructure. Moreover, the $3 trillion municipal bond markets have begun to notice the states' deficits: Moody's recently downgraded the bond ratings of Arizona and Illinois because of the deficits those states face. The rating agency says it is waiting to see whether New York will reduce its budget gaps and has warned the state against trying to do so solely through one-time actions.

It seems almost inevitable now that the states' fiscal problems will have further effects on capital markets, possibly as soon as next spring and summer. If more cracks appear in the capital markets that handle municipal bonds, the U.S. Treasury and the

Federal Reserve will be faced with an unattractive set of options: They can allow those markets to deteriorate or use federal tax dollars to shore them up and thereby increase the federal deficit.

It is safe to say that one way or another events will force federal policy makers to spend money in response to state deficits. Federal officials shouldn't wait for an emergency to begin to address two questions: Which services should the federal government provide and which should the states provide? And how should the costs of these services be split among federal, state, and local tax bases?

For example, Medicare, not Medicaid, is the primary payor of health-care costs for the elderly and disabled. About 17% of Medicare beneficiaries are low-income and, thus, also receive varying levels of state Medicaid benefits. These ''dual eligible'' beneficiaries account for some 40% of state Medicaid spending.

For these beneficiaries, the current system is a nightmare: They disproportionately suffer from chronic diseases but must navigate two separate bureaucracies and sets of rules in order to receive care. For the states, this system is a costly burden. From the perspective of a rational health policy, the system is an anachronism. It developed when Medicare did not provide income-based aid and did not have income-based information about those it served. Medicare now provides such aid and has the information and capacity to provide these benefits more effectively, with more potential for cost containment, than the current system.

A federal takeover of services to dual eligibles would cost about $70 billion per year. For many states, a share of this amount would be the difference between chronic fiscal crisis and a chance at structural budget balance. After the Troubled Asset Relief Program and health-care reform—with the cost of the latter estimated by the Congressional Budget Office at almost $900 billion from now through 2019 and $1.8 trillion in the 10 years from 2014 through 2023—the bill for such a takeover does not seem huge or disproportionate to the relief it would provide to state budgets.

Those of us responsible for the states' budgets have the unpleasant duty of imposing greater burdens on our citizens before we can reach legitimate balance between revenues and expenditures. It is not unreasonable for us to hope that federal policy makers will treat our state deficit problems with the same seriousness with which they are now preparing to address the national deficit.

[From the Wall Street Journal, Jan. 5, 2010]

THE PUSHBACK—STATE AGS SAY BEN NELSON'S MEDICAID DEAL IS UNCONSTITUTIONAL

''It's not a special deal,'' Ben Nelson told the New York Times of the special deal that converted him into the 60th Senator for ObamaCare. ''It's a fair deal. Some people said I was getting money for Nebraska. That's wrong. I was just getting rid of an underfunded federal mandate. There's nothing sleazy about it. I cracked the door open for other states.''

The other states think somewhat less of Mr. Nelson's benevolence. Under the ''Cornhusker Kickback,'' the federal government will pay all of Nebraska's new Medicaid costs forever, while taxpayers in the other 49 states will see their budgets explode as this safety-net program for the poor is expanded to one out of every five Americans.

''In addition to violating the most basic and universally held notions of what is fair and just,'' the AGs wrote last week to the Democratic leadership, the Article I spending clause is limited to ''general Welfare.'' If Congress claims to be legitimately serving that interest by expanding the joint state-federal Medicaid program, then why is it relieving just one state of a mandate that otherwise applies to all states? In other words, serving the nongeneral welfare of Nebraska—for no other reason than political expediency—violates a basic Supreme Court check on the ''display of arbitrary power'' that was established in 1937's Helvering v. Davis.

Obviously Congress treats different states differently all the time, via earmarks and the like, but in this case there is simply no plausible argument for some kind of ''general'' benefit. The only state that gains from special treatment for Nebraska is Nebraska—and this actively harms all other states, which will have fewer tax dollars for their own priorities while effectively subsidizing the Cornhusker state.

The 12 Attorneys General are all Republicans, but as it happens their complaints are echoed by the liberal states of New York and California. In a December letter Governor Arnold Schwarzenegger lamented that ObamaCare would impose the ''crushing new burden'' of as much as $4 billion per year in new Medicaid spending in a state that is already deeply in the red. And in a Christmas Day op-ed in the Buffalo News, New York Governor David A. Paterson protested the almost $1 billion in new costs as well as the ''unfairness of the Senate bill'' when ''New York already sends significantly more money to Washington than it gets back.''

The reality is that national taxpayers have subsidized New York and California's social services for years because Medicaid's funding formula rewards higher state spending. That spending helps explain why these two states, plus New Jersey, are in such budget fixes today. But we welcome Mr. Paterson's discovery that redistributing income via progressive taxation is harmful.

''The final bill must provide equitable federal funding to all states,'' Mr. Paterson insisted, and in that sense Mr. Nelson may be right about his opening the political door. As Democrats merge the House and Senate bills, they may extend the 100% Nebraska deal to all states to shut them up, assuming they can rig the budget math. Of course, that gambit would harm either medical providers, given that state Medicaid reimbursement rates are well below even Medicare's, or Medicaid patients, as more doctors and hospitals simply drop those patients.

We recognize that mere Constitutional arguments won't deter the political juggernaut that is ObamaCare. But no one should be surprised when Americans wonder if this unprecedented federal intrusion into their lives violates our nation's founding principles.

[From the Wall Street Journal, Jan. 2, 2010]

THE STATES AND THE STIMULUS—HOW A SUPPOSED BOON HAS BECOME A FISCAL BURDEN

Remember how $200 billion in federal stimulus cash was supposed to save the states from fiscal calamity? Well, hold on to your paychecks, because a big story of 2010 will be how all that free money has set the states up for an even bigger mess this year and into the future.

The combined deficits of the states for 2010 and 2011 could hit $260 billion, according to a survey by the liberal Center on Budget and Policy Priorities. Ten states have a deficit, relative to the size of their expenditures, as bleak as that of near-bankrupt California. The Golden State starts the year another $6 billion in arrears despite a large income and sales tax hike last year. New York is literally down to its last dollar. Revenues are down, to be sure, but in several ways the stimulus has also made things worse.

First, in most state capitals the stimulus enticed state lawmakers to spend on new programs rather than adjusting to lean times. They added health and welfare benefits and child care programs. Now they have to pay for those additions with their own state's money.

For example, the stimulus offered $80 billion for Medicaid to cover health-care costs for unemployed workers and single workers without kids. But in 2011 most of that extra federal Medicaid money vanishes. Then states will have one million more people on Medicaid with no money to pay for it.

A few governors, such as Mitch Daniels of Indiana and Rick Perry of Texas, had the foresight to turn down their share of the $7 billion for unemployment insurance, realizing that once the federal funds run out, benefits would be unpayable. ''One of the smartest decisions we made,'' says Mr. Daniels. Many governors now probably wish they had done the same.

Second, stimulus dollars came with strings attached that are now causing enormous budget headaches. Many environmental grants have matching requirements, so to get a federal dollar, states and cities had to spend a dollar even when they were facing huge deficits. The new construction projects built with federal funds also have federal Davis-Bacon wage requirements that raise state building costs to pay inflated union salaries.

Worst of all, at the behest of the public employee unions, Congress imposed ''maintenance of effort'' spending requirements on states. These federal laws prohibit state legislatures from cutting spending on 15 programs, from road building to welfare, if the state took even a dollar of stimulus cash for these purposes.

One provision prohibits states from cutting Medicaid benefits or eligibility below levels in effect on July 1, 2008. That date, not coincidentally, was the peak of the last economic cycle when states were awash in revenue. State spending soared at a nearly 8% annual rate from 2004–2008, far faster than inflation and population growth, and liberals want to keep funding at that level.

A study by the Evergreen Freedom Foundation in Seattle found that ''because Washington state lawmakers accepted $820 million in education stimulus dollars, only 9 percent of the state's $6.8 billion K–12 budget is eligible for reductions in fiscal year 2010 or 2011.'' More than 85% of Washington state's Medicaid budget is exempt from cuts and nearly 75% of college funding is off the table. It's bad enough that Congress can't balance its own budget, but now it is making it nearly impossible for states to balance theirs.

These spending requirements come when state revenues are on a downward spiral. State revenues declined by more than 10% in 2009, and tax collections are expected to be flat at best in 2010. In Indiana, nominal revenues in 2011 may be lower than in 2006. Arizona's revenues are expected to be lower this year than they were in 2004. Some states don't expect to regain their 2007 revenue peak until 2012.

So when states should be reducing outlays to match a new normal of lower revenue collections, federal stimulus rules mean many states will have little choice but to raise taxes to meet their constitutional balanced budget requirements. Thank you, Nancy Pelosi.

This is the opposite of what the White House and Congress claimed when they said the stimulus funds would prevent economically harmful state tax increases. In 2009, 10 states raised income or sales taxes, and another 15 introduced new fees on everything from beer to cellphone ringers to hunting and fishing. The states pocketed the federal money and raised taxes anyway.

Now, in an election year, Congress wants to pass another $100 billion aid package for ailing states to sustain the mess the first stimulus helped to create. Governors would be smarter to unite and tell Congress to keep the money and mandates, and let the states adjust to the new reality of lower revenues. Meanwhile, Mr. Perry and other governors who warned that the stimulus would have precisely this effect can consider themselves vindicated.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

The Senator from Arizona is recognized.

SENATOR DORGAN

Mr. MCCAIN. Mr. President, I thank my friend and colleague from North Dakota for allowing me to speak out of order. I might add—and I will say this several times—what a privilege it has been for me to have served with the Senator from North Dakota, a man who embodies the best in a prairie populist and one with whom I have had a great honor and privilege working for a long time.

As the hour grows near, I will have more to say about my appreciation and the honor of working with the Senator from North Dakota.

SENATOR-ELECT SCOTT BROWN

Mr. MCCAIN. Mr. President, I come to the floor to congratulate my friend, SCOTT BROWN, on his historic victory last night.

SCOTT BROWN is a man who has served his country in the Army National Guard and Reserve. He is a person who has served his State in the State legislature. He is a wonderful father and a wonderful public servant. I congratulate him on his landmark victory.

I believe it was in Concord where the ''shot was heard round the world.'' Last night a shot was fired round this Nation. A shot was fired saying no more business as usual in Washington, DC. Stop this unsavory, sausage-making process called health care reform, where special favors are dispensed to special people for special reasons in order to purchase votes.

The American people do not want this health care reform because they do not believe it attacks the fundamental problem with health care in America; that is, there is nothing wrong with the quality, it is the cost that needs to be brought under control.

But there is also anger—I know from the townhall meetings in my own State—about the process: the Louisiana purchase, $300 million for Louisiana; the Florida Medicare Advantage grandfather clause for the Senator from Florida; the $5 billion cornhusker kickback; Vermont, Massachusetts, Hawaii, Michigan, Connecticut—twice in Connecticut—Montana, South Dakota, North Dakota, Wyoming—the list goes on and on of special deals that were carved for special reasons. The latest, of course, is the incredible action concerning unions being exempt from taxes nonunion members will now have to pay in greater numbers. How do you justify favoring one group of Americans; that is, union members, for any reason other than you owe them political favors and they have political influence?

So the negotiating went from the backrooms here to the backrooms in the White House—the same President who said C–SPAN and a completely transparent process would prevail here so the American people would know who is on the side of the pharmaceutical companies. And the pharmaceutical companies probably got the best sweetheart deal of anybody in this whole process.

So I believe the majority of the American people have said and according to polling data 48 percent of Massachusetts voters have said health care was the single issue driving their vote. Thirty-nine percent said they voted for Brown specifically because of his vocal opposition to the measure. I congratulate SCOTT BROWN. I congratulate our new colleague not only for standing up for what is right but also for articulating the frustration of the American people about this process we have been through.

So here we are, and now the rumors are that they will jam this proposal through the House of Representatives and then bypass what has always been the normal legislative process. They should not do that. The American people have spoken. The people of Massachusetts have spoken for the rest of America: Stop this process, sit down in open and transparent negotiations, and let's begin from the beginning.

We can agree on certain principles and certain measures that need to be taken, such as malpractice reform, going across State lines so people can have the insurance of their choice, and many other things, including, perhaps, a refundable tax credit for those who need health insurance and risk pools for those who have preexisting conditions. There are many things we could agree on if, for the first time in this administration and in this Senate, we sit down across the table from one another in honest and open negotiations and discussions.

We know health care costs in America are out of control. We know they need to be fixed. We want to be part of that process. So I urge the President of the United States, I urge my colleagues—now 59 of them—to say: Stop, start from the beginning, sit down, and work for America. Let's do what has been done in the past, time after time after time, where we sit down and negotiate in good-faith efforts. So far, that has not happened despite the promises the President made during his campaign.

I urge my colleagues together to say we have to stop this process, we have to stop this unsavory sausage making, Chicago style, that has been going on, and we have to sit down in open and honest negotiations with the American people and fix the health care problem. We can do that together, and that is what the American people want us to do.

Again, I thank my colleague from North Dakota, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

THE ECONOMY

Mr. DORGAN. Mr. President, there has been a lot happening in this country with respect to politics and the economy over these past months, and I know there is great angst and concern across this country. There are questions: When will America get the bounce back in its step? These are troublesome times, for sure, for a lot of reasons, but I am convinced we will find ways to put America back on track. I am convinced of that.

You know, you go back a couple hundred years in American history, and this country has been through some very tough times but always—always—rebounds. There has always been a sense of optimism that the future will be better than the past, that kids will have it better than their parents. I am convinced of that.

I think the American people have plenty to be steamed about, and they need to find ways to let off that steam. They have a right to be steamed, and let me describe a bit of it.

One year ago, this President took office and he inherited an economic wreck. That is just a fact. The question at that moment was, will this economy completely collapse? That wreck was caused by a lot of things, but deciding to go to war and not paying for a penny of it year after year—everybody knows better than that. You can't do that. Hiring regulators who were boasting that they weren't willing to regulate, saying to the big shots on Wall Street, the speculators, the big investment bankers, and others: Do whatever you want. We won't watch. The sky is the limit. We don't care. Now we see the carnage that results from that: derivatives—instruments that derive value from something else—CDOs, mortgage-backed securities, synthetic derivatives. Do you know what a synthetic derivative is? That is something that doesn't have any value of any kind. It is just a wager. You might as well put a craps table in the middle of an investment bank lobby and say to them: You don't have to go to Las Vegas, you can gamble here. And by the way, you can gamble with other people's money, not your own. But even investment banks and FDIC-insured banks have been gambling on their own proprietary accounts on derivatives. We ought to know better than that. So what happens is the regulators give a green light to that kind of rancid behavior, and it steers this country into an unbelievable bubble of speculation. Then the center pole of the tent collapses, the economy nearly collapses,