

the Senate that the Republican minority has held this bill up. They will not let us bring it to a vote. They won't let us bring it to the floor. I think it is unfortunate. I think we should have a vote on it, and I think if we do it will pass overwhelmingly and the President will gladly sign it. But we are caught up in a last-minute hurry to try to finish the session, and unfortunately some of the most commonsense priorities are victims of some political agenda. I hope this does not hold up this bill any longer.

STATE OF THE ECONOMY

Mr. DURBIN. Mr. President, I rise at this moment to speak to the state of the economy and to call to the attention of the Senate what has transpired in America in the 2 weeks since the majority leader, Senator DASCHLE, brought to the attention of this country how sadly our economy is performing.

Earlier I came to the floor and one of my Republican colleagues came to the floor and greeted me and said: DURBIN, you have it all wrong. The economy is better. Can't you feel it? The economy is much better. I have the facts to prove it.

I am anxious to see his presentation, and I am anxious to see how many people across America would agree with him because let me tell you what has happened in news reports in the last 2 weeks. These are news reports.

First, our stock market has had its worst quarter since 1987—15 years. It is the worst month of September in the stock market since 1937, 65 years ago. It has also been reported that the number of Americans without health insurance increased by 1.4 million last year, to 41.2 million.

The trend line, which had been moving in the opposite direction with more people having health insurance, is moving in the wrong direction now—fewer and fewer Americans with the protection of health insurance. May I add for a moment, have you asked anybody about the cost of health insurance lately? Small businesses, large businesses, labor unions, workers alike, the cost of health insurance is breaking the bank at businesses across America. It is breaking the bank when it comes to labor unions that try to take care of their retirees. It is something that has not been addressed by this Congress or this President.

The poverty rate rose last year for the first time in 10 years, from 11.3 percent to 11.7 percent. The prosperity of the previous administration has finally run out. More and more people are falling into poverty.

Real median household income fell last year by \$934. The spending power of American families in real terms dropped by over \$900. That is the first drop in 9 years.

Housing starts fell 2.2 percent in August. Unemployment insurance claims remain high, the 4-week average stays

above 400,000, and the U.S. manufacturing jobs shrank in September for the first time since January.

My colleague on the Republican side says I just don't get it; things are really getting better out there. I don't think they are. I think, frankly, we are not yet into recovery. When I talk to people who are leaders in business and keep an eye on the economy, they don't think we are either. They look at numbers and the numbers are pretty compelling.

Take a look at this economic report. This is the average annual percentage change in the Standard & Poor's 500. We went all the way back to the Harding administration—Warren G. Harding, the former President—to see what had happened in the stock market. Here is what we learned.

There has only been one other time in history when we have seen such a dramatic, precipitous decline in the value of the stock market. Sadly, that was during the Great Depression under Herbert Hoover when the stock market declined some 30 percent. We are talking about the S&P 500 declining 30 percent in value. Under President Bush's current administration that same percentage has gone down 21 percent. I don't have to tell that to anybody listening to this speech because more than half of Americans own some stocks, whether it is their personal savings or college savings accounts for their kids or grandkids or their pension plans. They know what has happened here. The nest egg you put aside and counted on for the future has been diminishing over the last year and a half. The economy is not strong. Yet you wouldn't believe it when you listen to the comments that are made.

Here is a comment from the President, September 5, just a few weeks ago.

I'm optimistic about our economy. I'm optimistic about job growth.

That is the President. Vice President CHENEY, on August 7:

... there is no doubt of our nation's (economic) strength.

Paul O'Neill, Secretary of the Treasury, September 25, just a few days ago:

The latest indicators look good.

That is our Secretary of the Treasury. What is he reading? Who is he listening to? This is a man who is supposed to be charting the course of economic policy in our country and he thinks things are looking good, a chicken in every pot. I don't think so.

Take a look at the economic record of this administration. We went back to President Eisenhower to take a look at the annual growth rate of private sector jobs. Incidentally, the President said he is optimistic about job growth. Look at job growth under this administration. Every single President has had positive job growth in the private sector except one, President George W. Bush. He is optimistic. Well, he may be optimistic about the future, but a realistic view of his administration is it

has been disastrous. We have lost jobs across America and people know this. They understand the uncertainty they face.

Take a look as well at the average rate of change in the real gross domestic product. This is the sum total of the value of goods and services produced in America. We went back to President Eisenhower. Every year you see a pretty substantial growth but one—look at this. Under President George W. Bush we have the lowest economic growth in 50 years in America. The President has said, "I'm optimistic about the economy." But look at the economy. It is weak. It is an economy that has taken its toll on workers and families and businesses and on the savings of retirees.

Take a look at these jobs we have lost. More than 2 million jobs have been lost under the Bush administration. We have had 111.7 million private sector jobs when the President took office. Today we are down to 109.6 million. In the words of Secretary of the Treasury Paul O'Neill, "The latest indicators look good." I don't see it. It doesn't look good for 2 million people who have lost their jobs since this President took office.

Now take a look at what has happened when it comes to Government spending. The debt held by the public—I am almost afraid to bring up the issue of national debt and deficit with Senator HOLLINGS on the floor. This is his passion. But he knows as well as I do, the debt held by the public in 2008 had been projected, when the President took office, at \$36 billion. That projection has gone from \$36 billion to now \$3.8 trillion. We are swimming in this red ink under this administration. It wasn't the case when he came to office.

This has all transpired under this President and his watch. What does it mean in terms of our Federal interest costs? Look at this. When the President came to office, they estimated the total Federal net interest spending for 10 years would be \$620 billion. That is when President Bush took office. Today the estimate is up to \$1.9 trillion—interest paid on national debt created by deficits with which we are presently living.

We left an administration that was in surplus. We left an administration that was paying down the national debt. We are now in an administration adding to the national debt, creating deficits, causing problems across our economy.

The reason? You can look at the recession which continues. You can certainly look to the war on terrorism, which has cost us dearly. None of us will shortchange the men and women who are fighting for our Nation, and that is going to cause some spending which will come out of the Social Security trust fund. But there is a third element. The third element was President Bush's tax policy. He came forward and said to America: With this fantastic surplus that I can see for 10 straight years, it is time to give the money

back to the American people. So the average family got the \$300 check or the \$600 check and said: That is fine. I will find something to do with that.

But the net result of all of it is we are in a situation now where we are dealing with debt and deficit which we did not anticipate. The guesses and forecasts and speculation of President Bush's best advisers were just plain wrong. The surplus that was projected for 10 years has disappeared. It is totally gone. We were not prudent. We were not cautious. We were not careful. We put in tax cuts that will be in place for 10 years and we cannot pay for them and we are going in debt. No, let me take it back. We are taking money out of the Social Security trust fund to pay for it.

The PRESIDING OFFICER. The Senator has used 10 minutes.

Mr. DURBIN. I ask unanimous consent for 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. The point we are making is that we are dealing with a tax cut that frankly has brought us back down into a deficit situation and increased our national debt and increased the interest on which future generations will pay. That tax cut, when you look at benefits of it—take a look. If you happen to be down making \$9,300 a year, the President's tax cut is worth \$66.

Average annual tax cut by income range: If you are making \$20,000 a year, it is worth \$375. If you are up to \$39,000 a year, it is \$600. If you are making \$56,000 a year, it is \$1,000. If you are making \$97,000 a year, it is about \$2,200. If you are making \$220,000, it is worth \$3,000 to you. But hold on tight. If you are in the top 1 percent of wage earners in America making an average of \$1.1 million a year, the President's tax cut is worth \$53,000. It is small change down here for most working families. But it is \$53,000 for people who are already making \$1 million a year.

You say, of course; they pay all the taxes; they should get the tax break. That isn't how it works. Under the President's plan, it doesn't directly track the taxes we are paying. So the people who are getting the biggest tax cut are not proportionately paying the most in terms of taxes to the Federal Government.

The Bush economic record and what it means to you is, in effect, a 10-year surplus has disappeared from \$5.6 trillion, which was projected by the President just last year. Now we are down into a deficit situation over the same 10-year period of time.

I mentioned earlier the impact of the stock market. Everybody, I think, knows this. You see what is happening to our stock market. The value of all the stocks in the stock market when the President took office was \$16.4 trillion. The value today is \$11.9 trillion, and going down. We have lost \$4.5 trillion in value—about 25 percent of the value of the stock market. Forget

about the value of the stock market. It is the value of savings, the value of pension plans, and the value of college savings accounts. Those are the things that have taken a beating.

I think the point is clear. This administration wants to talk about every issue they can think of except economic security, except the state of the economy, and except the fact that average families, average businesses, and average individuals in this country are struggling with an economy that is flat on its back.

The best the President had to offer was a meeting in August down in Texas where he called some close friends and corporate leaders and asked, What do you think? A lot of them said, Stay the course; couldn't be doing better.

We can do a lot better. We can do better with leadership—not just from the White House, but from Congress. Sadly, this Congress will not produce legislation that will address these problems. What could we do? We believe on this side the first thing we ought to do is extend unemployment insurance benefits to the people across America who are about to run out of unemployment insurance. We should extend the benefits for another 13 to 26 weeks. We did that five times under President Bush's father, the last time we had a recession. This President has refused to do it one time. That is not fair to these people or their families.

Second, we believe we need pension protection for families across America who are vulnerable; for people who are 62 years old and wanting to take their retirement, and watched their pension disappear before their eyes, and no health care. We need protection for those employees who are in that circumstance.

What about the millions of Americans on minimum wage? It has been 5 years since we raised the minimum wage. It is stuck at \$5.15 an hour. That is not going to make America stronger.

Let me also tell you when it comes to the cost of health, we should understand it is absolutely essential that we accept this as a highest priority. We heard this morning from a major union working with a major company. The people who ran the company came before them and said, Listen, we don't know what we are going to do next year. We have a \$1 billion health insurance bill. We don't know how we are going to do it.

I have heard the same thing from labor unions and small businesses. This government ignores it.

We talk about tax cuts for the wealthiest instead of tax credits for businesses that offer health insurance. We talk about tax cuts for the wealthiest instead of helping average families struggling to pay to get their kids through college. Why in the world don't we make the cost of college tax-deductible for working families before we award these great tax breaks for families making over \$1 million a year?

This is the agenda Americans face every day. After they turn off the news,

they talk about a variety of other issues. They sit down and try to figure out how to grapple with these issues. I think this is the agenda which the American people want this Congress to work on. Sadly, because of lack of leadership downtown, and because of lack of leadership here on the Hill, we have done precious little to address the real issues facing American families.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

ORDER OF BUSINESS

Mr. REID. Mr. President, we have a couple of Senators who wish to speak. Senator HARKIN has been on the floor. I do not know if there is anyone on the minority side who wishes to speak. I would like to get a routine set up here. Does the Senator from Missouri wish to speak today?

Mr. BOND. Mr. President, to respond to my colleague from Nevada, I was preparing to speak. The Senator from New Mexico wants to bring up the health insurance bill. I just walked in to debate another matter.

Mr. REID. We will wait until the Senator from New Mexico shows up and try to work something out. Is that OK?

Mr. BOND. That works for me.

Mr. REID. Mr. President, I ask unanimous consent that the Senator from Iowa be recognized. I don't know if Senator KENNEDY is still here. He had been waiting. I ask unanimous consent that Senator HARKIN, Senator HOLLINGS, and Senator KENNEDY be recognized in that order. Following that, we would be happy to work out whatever we can with the Senator from Missouri. We had a number of speakers here today, most of whom have been for the Republicans.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I was so promptly reminded that I forgot Senator BYRD. Senator BYRD would be happy to go following Senator KENNEDY.

The PRESIDING OFFICER. Is there objection?

Mr. BOND. I didn't hear the request.

Mr. REID. We have in order Senators HARKIN, HOLLINGS, KENNEDY, and BYRD. As I indicated to the Senator from Missouri, following one of those statements from the Democrats, if Senator DOMENICI shows up, and you and he went into a colloquy, we would be happy to stick you in there.

Mr. BOND. Mr. President, reserving the right to object, might I ask if Members on my side come, we could intersperse them in the makeup?

Mr. REID. That is why I said if Senator DOMENICI, for example, shows up, we will be happy to have a Republican in between the Democrats I announced.

The PRESIDING OFFICER. Is there objection?

Mr. BOND. Mr. President, the unanimous consent request, as modified, is objected to.

The PRESIDING OFFICER. Without objection, it is so ordered.