

Madam President, I want to serve notice on the Singapore free trade agreement that there is a lot to fix in this agreement. It doesn't mean a thing when people such as I talk about this because our trade negotiators don't care; they don't see; they are in their little cocoon, and they will negotiate, and the success of their life is reaching an agreement—even if it is bad. They did a bad agreement with Canada, with NAFTA, and with the WTO, and a bad agreement with Singapore. Apparently, they have not done a bad one with Chile yet because we didn't know where they stood on Iraq. The fact is, it is time for them to stop doing bad agreements and time for them, on behalf of American workers and companies, to say we demand and insist on fair trade. That certainly will not be the case with respect to the agreements we expect in future free trade deals, with respect to labor protections and a whole range of issues in the Singapore agreement.

THE SIZE OF THE TAX CUT

Madam President, I want to talk for a moment about the front-page issue every day these days, and that is how big will be the tax cut. That misses the point. Our press almost always reports all this as a horserace. It is never much about the horse or jockey; it is about who is ahead down the stretch. Does he or doesn't he have the support to get 350, 550, or 750? What would be much more important would be to have a report that talked about: What does this really mean for our country? What are the experts really saying? What are the consequences? Where will this come from? Now, a tax cut.

Well, we have lost slightly more than 2.6 million jobs in the last nearly 2 ½ years, and that is unusual because in the last 50 years every single administration has seen a growth in jobs—some less than others; nonetheless, a growth. We have, in this circumstance, lost jobs—2.6 million in 2 ½ years.

You can make a case—and I think part of it is valid—that we had 9/11, the war on terror, the war in Iraq, the technology bubble bust, the collapse of the stock market, the bursting of the tech bubble, and we had the largest corporate scandals in the history of the country. So you can make a pretty good case that all of these things intersecting at the same time have caused a lot of havoc with this country and our economy.

But it is the easiest lifting in American politics for any politician at any time to say: Do you know what I stand for? I stand perpetually for reducing taxes and tax cuts.

If, in fact, cutting taxes always creates jobs, sign me up for \$2 trillion in tax cuts. Just sign me up. Then I think the President's \$700 billion proposal of permanent tax cuts is way too short. If this in fact creates jobs, let's do \$4 trillion in tax cuts. But we know what is happening here. We know that 2 years ago we were told if we had very large tax cuts, and Congress voted for them,

what we would be doing was giving back surpluses that would exist in our budget as long as 10 years down the line, as far as the eye could see. So the Congress supported very large permanent tax cuts. I did not, because I said at the time I thought we should do them on a temporary basis, in order to be a business conservative, and then figure out what is going to happen in the future.

What if something happens? It did. We found ourselves in a recession, a war, the bubble burst, and corporate scandals. Congress said: The heck with that; we see surpluses forever. Two years later, we have projections by all economists that we are going to have deficits forever. Even the President's budget has deficits predicted for 10 straight years. The President's budget—which was on our desks right here, and the Senate voted for it—said let's increase the Federal indebtedness from \$6 trillion to \$12 trillion in 10 years.

I am not making that up. It is on page 6 of the Budget Act that the Senate voted for and the President supported. It is what he wanted. Let's double the Federal debt. Now they say let's have very large tax cuts. Where do they come from? Every single dollar of the tax cut is to be borrowed. So we send our sons and daughters to war; and then we say: By the way, when you come back, you are going to pay the bill because we are not paying for that.

Just yesterday, the Wall Street Journal pointed out that the Federal Government will need to borrow \$79 billion in this quarter. That is a reversal of the more than \$100 billion that was estimated for this quarter. So we missed the economic results by \$100 billion in this quarter. I think the Government spends too much in a range of areas. I think we ought to cut spending. I think we ought to make sure that those things that improve the lives of people in this country are the things in which we invest. I think we ought to make sure we deal with education, health care, roads, and the kinds of things that represent infrastructure that make this a great country.

But having said all that, I think to borrow \$6 trillion more in 10 years in order to provide tax cuts, the bulk of which will go to the largest income earners in the country—if you do that, look at the economic data. They say if you earn \$1 million a year, good, you are lucky because you are going to get an \$80,000-a-year tax cut with the President's plan, on average. At this point, when we are choking on red ink and proposing to double the Federal debt from \$6 trillion to \$12 trillion, do we think those who earn a million dollars a year, on average, should receive an \$80,000 a year tax cut? I don't think so. That ought not be the priority.

The very first priority might be to reduce the Federal debt and get our fiscal house in order; second, to invest in those things that make life worthwhile, improve our schools, do a range of things like that. In addition to that,

we should, as many colleagues say, cut spending in areas where we spend too much—and there are plenty of them.

I find it bizarre that we are having a national discussion about this without any requirement for their being specific. If you want, at a time when we have very large budget deficits, to reduce the tax revenue by \$550 billion or \$750 billion over 10 years, then what don't you want to do? Do you want to increase defense spending? That is going to happen. Increase homeland security spending? That is going to happen. Have very large tax cuts? That is going to happen. So what don't you want to do? What is it in domestic discretionary spending? Educating our kids? Making sure grandma and grandpa have access to adequate health care? Having safe neighborhoods? What is it you don't want to do in that batch? How about building roads and bridges to make sure we have a good infrastructure? What is it you don't want to do? I think that is a question that needs to be answered.

Madam President, it is not answered by anybody. All the reporting is on the horserace—who is ahead coming around the turn? Does the President have the vote or not? Is this Senator or that Senator finally going to turn or relent? That is not the issue.

Take a look at the best economic thinkers in this country, 10 Nobel laureates, and ask them what they think of this country's economic future if we don't have some basic fiscal responsibility. I come from a small town, with 380 people or so. It has shrunk a bit since then. But most people in America's towns and cities think about all this in practical, candid terms, making sure it adds up. They say let's handle this as a business or a family.

Well, let's do that then. If you are short of revenue, do you want to cut your revenue further and increase spending? How does that add up? I didn't take higher math, but I learned that 1 plus 1 equals 2 in Kansas, in North Dakota, in New York, and all over the country—except in fiscal policy in Washington, DC, where 1 plus 1 equals 3, and apparently \$12 trillion in additional debt. That is not a fiscal policy, in my judgment, that is good for my kids, your kids, or America's kids.

I am not saying one party is all right or wrong. I am saying this: There isn't any way we can reconcile this with what is happening in the country today. We have turned the largest surplus in American history into the largest deficits. Yes, you can make a case that a lot of things have happened that have intervened to make that happen that are outside of the control of the Congress and the President; yes, that is true. But if that is the case, then should we not recognize that? If 9/11 says we need more spending for homeland security, we just charge it to the future and say, well, we need to do that, but let's have tax cuts, too. If 9/11 says and Iraq means we need more

money for defense spending, we say, let's just charge that and we will have tax cuts, too. One way or another this has to be reconciled.

I am in favor of some tax cuts. I would like to see some tax cuts. I think the American people would like tax cuts. But when someone says let's have the American people keep more of their own money, the answer to that on the reverse side of the same coin is let's charge more to the American people because they are going to have to pay for it. One can argue trade deficits are going to have to be paid by a lower standard of living in this country, but our kids and grandkids are going to pay for a fiscal policy deficit. It is a selfish fiscal policy, in my judgment, and one we ought to reverse.

We ought to try to call on the best of what both parties have to offer this country, not the worst of each. In my judgment, the best both parties have to offer this country is some basic conservative values of saying let's do what is right to invest in what makes this a good country and at the same time let's pay for that which we want to consume. Let's have a fiscal policy that says to every American, this adds up. Let's say to our kids we are not going to have them shoulder the burden of what we are doing today. That is what our fiscal policy ought to do.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Madam President, I will speak to the pending business, which is the nomination of Priscilla Owen to the circuit court of appeals. She is a highly qualified person who really needs to be recognized. We need to move through this rapidly.

The last 2 years, I was honored to be able to serve on the Judiciary Committee. We held extensive hearings on Priscilla Owen to be a circuit court judge. She went through those hearings in an extraordinary fashion. It was a learning experience. It was as if a professor was there teaching and going through with us, here is how I decided this case, here is hornbook law on this, here is how this should be decided, here is how I viewed the issue. She really has a fine-tuned legal mind. I was impressed by the legal mind she has.

I was impressed by the common sense she had with it as well. It was as if this was a highly trained legal mind well adapted to being able to judge, but also with a sense of values of the people, which is as one would expect because she was elected to the Texas Supreme Court. She has been around the public. She knows how people think.

When a lot of people look at the judiciary in the United States, they do not feel like they get a sensible approach to judging a fair amount of time. She is an extraordinary person to have both that depth of mental training and ability and a sensible touch that the people really desire and want to have in somebody on the judiciary.

What I am most distressed about is it appears as if now we are going to get

our second filibuster of a circuit court judge from the Democratic Party. In the past, we have not had filibusters of judges. We have had them at a Supreme Court level but not the circuit or district court level. Now it appears as if we are going to get our second filibuster of a judge in a matter of a couple of months. This, of course, is to raise the vote standard so she does not have to get 51 votes, she has to get 60 votes to be able to go on the circuit court of appeals.

This is not advice and consent of the Senate, which is what our standard is held to. We are to give advice and consent on judges. They should be appointed by the administration and then there should be advice and consent. That should be a 51-vote margin. It should not be a 60-vote margin that now the other side is attempting to establish. This is a very distressing situation we are getting into.

How many more judges are we going to see like that who are nominated for the circuit court? Are we going to continue to put them forward and the other side will say we are going to filibuster for whatever reason? How many of these is it to be?

I recognize what the strategy is. It is to keep the circuit court reduced of judges, not to allow this President to appoint his judges, not to allow him to put his print upon the judiciary. I recognize that is what is happening on the other side of the aisle, but when they do that, one needs to recognize the long-term policy implications of so doing. Now they are saying a President cannot appoint his or her judges to the bench; that when they were elected and selected by the people of the United States, now they cannot appoint people to the court; that the other party, if they can control 51 votes, can block the President. This is not about advice and consent. It is about blocking a President from appointing his judges to the Federal bench.

We have not seen this strategy before. It was always the President puts forward his nominees, we hold hearings, and then if they can be blocked with 51 votes, they are blocked, but not filibustering of circuit court judges. This is a dangerous area.

On the other hand, we could say the other party is looking at this saying this represents a two-fer for us: We cannot only block the President from getting his judges on the bench, we can block the Senate from doing other business.

We do not normally take weeks on end to do a Federal circuit court nominee, but that is what we are ending up doing with Miguel Estrada and now with Priscilla Owen. We are spending weeks on end of Senate floor time on a circuit court judge. That is not how the system is set up.

These nominations should be taking a couple of hours, at most, for debate and voting, and then we should be moving on and debating fiscal stimulus, how do we get this economy growing,

how do we create more jobs. We have a number of issues in regard to rural development. How do we get more people to move out into rural areas of Kansas. We have plenty of issues on foreign policy to debate. What about the new Iraqi leadership? What about the relationship of the United States to the U.N.? There is a whole litany of issues we could be taking floor time up with, but instead we are on circuit court judges that should be debated in an hour or two, voted up or down by advice and consent of the Senate, as it says in the Constitution, and moving forward. We are taking up valuable time instead, weeks on end, with circuit court judges that should have a clear vote up or down.

This hurts the country on two fronts. It hurts on the judiciary, on not having the people appointed to the bench that we need to have, and it hurts us by not being able to do other business we should be focused on in the Senate. That is not a useful way for us to conduct business in the Senate.

I urge the other side of the aisle to please step forward and stop the filibuster of circuit court judges. That is not the way we need to operate to be able to get the business done.

On top of that, we have circuit courts around the country that in some cases have only half of the judges that are necessary. The other half have resigned or left office and so we have enormous vacancies. Some people would say they like it that way because then two circuit court judges can pick a third one—maybe it is two liberal circuit court judges can pick a district court judge, bring them up to a three-judge panel to have a liberal-leaning panel and we can set policy and set law that way. But that is not the way the system is set to operate, even though it does operate that way. We really need to move forward in this area.

I do not normally come to the floor to harangue about what is taking place in the judiciary, but in this case this is beyond the pale. This is not what should be taking place. It is hurting us and it is hurting the country.

GROWING THE ECONOMY

I will take a minute or two to address some of the topics that came up about the economy. We need to get this economy growing and going. I will make a couple of brief observations.

At the Federal level, we have two major tools to grow the economy. We have monetary policy and we have fiscal policy. Monetary policy is set by the Fed, not by the Congress but by the Fed. The Fed can set interest rates high or low, control the supply of money. The Fed is doing the exact right thing to grow the economy today with low interest rates. That is as it should be.

On the other side of that is fiscal policy, and that is what the Congress does. We have tools at our disposal to try to grow the economy. One of the major tools is tax policy. Do we increase taxes, do we decrease taxes, in a way to stimulate the economy?