

(4) Cut the Deficit and Restore Economic Confidence

Cut the deficit in half in four years by restraining spending growth, paying for all proposals, and eliminating corporate welfare.

Mr. KENNEDY. I thank the Chair.

The ACTING PRESIDENT pro tempore. The 10 minutes we are currently in are reserved for the Senator from Iowa.

The Senator from Iowa.

INSTABILITY IN IRAQ

Mr. HARKIN. Mr. President, the chaos in Iraq gets worse with every week that goes by. Many key cities are now under the control of the insurgents. Virtually every day we see car bombings, kidnappings, assassinations, beheadings. American soldiers and Iraqi civilians are being attacked and killed at an alarming and escalating rate. But if we listen to the President, what we hear is sugar-coated happy talk.

The President says:

We're making progress. We're making progress.

He says we have a strong government in Iraq headed by Mr. Allawi. He says that because of the U.S. invasion of Iraq, democracy is spreading "like a sunrise."

Well, the President may have been a cheerleader in college, but we need more than cheerleading now.

Let's be clear: President Bush misled us into this war, and he is misleading us today about where we stand in Iraq. His misguided, mismanaged war has become a quagmire with ever-rising body counts and no end in sight.

Over the weekend, a host of Republican Senators stepped forward to urge the President to face the facts and at long last to be open and honest with the American people. On Sunday, Senator HAGEL of Nebraska said:

The fact is, we're in trouble. We're in deep trouble in Iraq.

Senator RICHARD LUGAR, distinguished chairman of the Foreign Relations Committee, criticized what he called "incompetence in the administration" that has resulted in a failed Iraq reconstruction effort.

Senator JOHN MCCAIN said:

We're not winning.

Senator LINDSEY GRAHAM said that we need to be "more honest about how difficult it will be" in Iraq.

Ironically, the President's father, George Herbert Walker Bush, warned against the folly of invading and occupying Iraq. On February 28, 1999, speaking to a group of Desert Storm veterans at Fort Myer, VA, the former President told them:

Had we gone into Baghdad—we could have done it, you guys could have done it, could you have been there in 48 hours—and then what?

Then the first President Bush continued:

Whose life would be on my hands as commander-in-chief because I unilaterally went

beyond international law, went beyond the stated mission, and said we're going to show our macho? We're going into Baghdad. We're going to be an occupying power—America in an Arab land—with no allies at our side. It would have been disastrous.

That was former President Bush in 1999.

Of course, we heard the same prophetic warnings from Brent Scowcroft, James Baker, and other foreign policy experts. But this President Bush and his partner DICK CHENEY thought they knew better. So now the disaster that Bush 41 warned against has become a reality under Bush 43. It is painfully clear that President George W. Bush's wrong choices—in particular, the botched hunt for Osama bin Laden, the invasion of Iraq based on false justifications, the Abu Ghraib torture scandal, the alienation of our friends and the world—have been profoundly destructive to America's national interest. They have damaged our traditional alliances. They have undermined our moral authority, and they have all but destroyed our credibility.

Worst of all, the actions of this administration have had the perverse effect of encouraging, inciting, multiplying the terrorist threat. Exhibit A is Osama bin Laden himself. It has been more than 3 years since the President pledged to "smoke him out" of his cave. But Mr. Bush did not smoke out Osama bin Laden. Instead, the Bush administration got massively distracted by its obsession with Saddam Hussein. These days, the days responsible for the murder of some 3,000 Americans on 9/11 is "Osama bin forgotten."

In a press conference Secretary Rumsfeld had on September 10 of this year, he mixed up Saddam Hussein and Osama bin Laden twice. Here is a quote from our Secretary of Defense:

Saddam Hussein, if he is alive, is spending a whale of a lot of time trying to not get caught and we have not seen him on video since 2001.

Well, Saddam Hussein, as John Stewart pointed out on "The Daily Show" last night, is in prison. But he said that twice about Saddam Hussein. You see, in their minds—in Rumsfeld's mind, Osama bin Laden and Saddam Hussein are the same person. He cannot quite distinguish them.

The problem is Osama bin Laden has not forgotten us. He and his followers remain as dangerous today as on September 11, 2001. In July, the administration issued a dire warning that bin Laden and his chief lieutenants were directing an al-Qaida effort to launch a catastrophic attack in the U.S. before the election.

There is broader evidence that the U.S. invasion of Iraq has incited, encouraged, and stepped up the recruitment of terrorists around the world. In April, the State Department issued its annual report on terrorism, claiming a big drop in terrorist incidents—and success in the war on terrorism. But, in June, the State Department acknowledged this report was grossly incorrect.

The State Department acknowledged that, in fact, twice as many people died in terrorist attacks in 2003, and terrorism around the world has increased significantly.

The objective statistical record is clear: As a consequence of choices made by George W. Bush, America is weaker, America is less secure, Americans traveling abroad are less secure, America is more vulnerable. And the professionals—the men and women on the front lines—know this is true.

Earlier this year, the Army War College published a report that concluded, in so many words, that the administration has bungled the war on terrorism. The report called the war in Iraq "unnecessary." It said Iraq "was a war-of-choice distraction from the war of necessity against al-Qaida." As a result of this detour, says the report, the U.S. Army is "near the breaking point."

Who can disagree with these findings? With our military tied down in Iraq indefinitely, unable to respond to real threats, America is weaker, not stronger. We are less secure, not more secure. We are more vulnerable, not less vulnerable.

I was struck, several weeks ago, by a statement from one of our colleagues, Congressman Doug Bereuter of Nebraska. Mr. Bereuter is vice chairman of the House Intelligence Committee and a senior Republican member of the House International Relations Committee. Congressman Bereuter was a strong supporter of the House resolution authorizing the President to go to war. But in a letter to constituents, he now says the invasion of Iraq was unjustified and "it was a mistake to launch that military action." He said, "We are immersed in a dangerous, costly mess, and there is no easy and quick way to end our responsibilities in Iraq without creating bigger future problems in the region and, in general, in the Muslim world."

Mr. President, how much time do I have?

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

Mr. HARKIN. Mr. President, I will close by saying America is more vulnerable, not less; and we need straight answers from this administration.

The ACTING PRESIDENT pro tempore. The majority controls the next 30 minutes. Who yields time?

The Senator from Colorado is recognized.

PRESIDENT BUSH'S ACCOMPLISHMENTS

Mr. ALLARD. Mr. President, I request 14 minutes and I ask the Chair to notify me when I have reached the 12-minute mark.

Lately, we have heard a lot of politically motivated doom-and-gloom speeches, and we have heard a number of them this morning. I want to talk about a couple of issues discussed on the floor. I want to comment on our economy and I want to comment about our foreign policy.

I think the economy is doing well. We would like to see it do better in some cases, but I think it is very positive news and we should not forget about that. The economy, at the first part of this month, posted job gains for each of the last 12 months, creating nearly 1.7 million jobs since August of 2003. These are the facts. The national unemployment rate fell to 5.4 percent in August, down .9 percentage from a peak of 6.3 point in June of 2003, and its lowest rate since October 2001. At 5.4 percent, the unemployment rate is below the average of the 1970s, 1980s, and the 1990s. In August, 144,000 new jobs were added. Nearly 1.7 million new jobs were added since August 2003. The unemployment rate over the last year was down in all regions and in 49 of the 50 States. The manufacturing sector, which was the hardest hit by the economic downturn, has added 107,000 jobs since January.

View that in the perspective of what we were facing when this President was first elected to office. We have turned this economy around. This President has taken strong action that made a difference in moving our economy forward. Now is not the time to turn back. The labor market has improved considerably since shortly after the President's jobs and growth bill took effect last May. America's standard of living is on the rise. Real aftertax incomes are up by nearly 10 percent since December of 2000. Consumer confidence continues to be substantially higher than last year.

In the second quarter of 2004, the national home ownership rate was at an all-time high of 69.2 percent. Minority home ownership set a new record of 51 percent in the second quarter and is up 2.1 percentage points from a year ago. I am proud to say that I was a Senator who sponsored that legislation to encourage home ownership among minorities. Core inflation remains low, and mortgage rates remain near historic lows, making home buying easier and more affordable.

We still have a challenge ahead of us and this President is not backing away from it. I don't think we Republicans in the Senate are backing away. We continue to push to make tax relief permanent. The temporary tax relief contributed to the figures I just read off. We need to do more. I think one of the most important things we can do to continue to see the economy grow is to make tax relief permanent. We obviously need to provide training for worker skills and control health costs, and we need to reduce regulations. We have not talked enough about the burden of Government and the downward pressure it has on the economy. We need to reduce regulations. As a small businessman I had to live with regulations. I understand how high taxes and a high rate of regulation can impact your ability to do business and create new jobs. Frivolous lawsuits are a problem and this Congress needs to address it. We need to adopt a national

energy policy and open more jobs overseas.

The President has acted decisively to bring us back from recession to recovery. I don't think I need to go over those issues. The basic part of it was that he has cut taxes. By cutting taxes, he stimulated the economy, which increased revenue to Colorado, and we are going to have increased revenue to the Federal Government.

Let me talk a little bit about foreign policy. A year ago last February, President Bush made the courageous decision to overthrow Saddam Hussein's brutal dictatorship and bring democracy to Iraq. He did so because Saddam Hussein had refused, over the last 12 years, to fully cooperate with U.N. weapons inspectors. He did so because Saddam Hussein had brutalized his people for over 25 years. He did so because it was the right thing to do and because it had to be done.

Some of our friends in the United Nations did not approve of his decision. They thought he should have waited; that perhaps Saddam would give in and eventually cooperate, despite his long history of lies and deception.

A few friends, such as U.S. Secretary General Kofi Annan, believed the United States should have sought another Security Council resolution. It appears Mr. Annan continues to believe this, given his remarks last week in which he described the liberation of Iraq as "illegal" and that violated the charter of the United Nations.

Even with the benefit of hindsight, it does not make any more sense now than it did then for the United States to have sought a second resolution. Resolution 1441 was the 17th—17th—Security Council resolution demanding that Saddam Hussein verifiably disarm, respect his neighbors, and otherwise comply with the cease-fire from the first Gulf War. It was clear that he violated Resolution 1441 and that he continued to try to shoot down U.S. warplanes in the United Nations-sanctioned northern fly zone and that he was making little or no effort to comply with the terms of the 1991 cease-fire. How many more security resolutions do we need before it becomes legal?

As the Wall Street Journal has eloquently pointed out, if liberating Iraq was wrong, then Mr. Annan must also believe a number of other operations are illegal. Does the Secretary believe NATO's intervention in Kosovo, where hundreds of thousands of Yugoslavian Albanians were saved from the genocidal attacks of Milosevic's cronies, was illegal? Does he believe France's recent intervention in the Ivory Coast was illegal?

It is my hope that when the President speaks today to the United Nations, he reminds the United Nations that the United States has the inherent right of self-defense guaranteed by that body's own charter. It is my hope that with unequivocal certainty, the President reminds the United Nations that

his first obligation as President of the United States under our Constitution is to protect our Nation from all threats, foreign and domestic.

It is my hope that the President reminds the world's greatest debating body that if the United States had not acted, Saddam Hussein would still be defying the United Nations, would still be seeking to develop weapons of mass destruction, and would still be brutally murdering and torturing his own people.

From my perspective, the United Nations should be grateful for the decisive leadership and courage President Bush demonstrated by liberating Iraq. It seems to me that the United Nations should be grateful that it now has a real opportunity to help bring democracy and freedom to 50 million people in Iraq and Afghanistan.

I believe the President made the right decision. He took a stand and did not back down. He held up the value of the Security Council resolutions at a time when most were content to see these resolutions ignored.

The President emphasized the value of the lives of the innocent Iraqis who were repeatedly tortured and routinely murdered when most chose to look the other way. He sought to protect our country and safeguard international peace when most refused to act.

The President today will ask our friends in the United Nations to help us in Iraq. That body has a unique opportunity to do something extraordinary. They have a limited opportunity to help a nation that has experienced nothing but dictatorship and brutality transition to a freedom-inspired country centered on the rule of law and the democratic process.

This coming January, Iraq will hold its first ever national elections. I recognize the practical difficulties of such an effort. We are constantly reminded by the media that Iraqi insurgents continue to launch suicide attacks and kill innocent hostages in new and grotesque ways.

It is certainly possible that things will get worse in Iraq before they get better. That does not mean we give up. It does not mean that the majority of Iraqis do not desire freedom.

This Thursday, the Iraqi Prime Minister will address a joint meeting of Congress. This speech is more than a reminder that Iraq has a functioning government. It is a statement to Iraqi insurgents that the business of promoting freedom will go on. It is a statement to the world that the Iraqi Government is the representative of the Iraqi people.

I look forward to Prime Minister Allawi's speech. I believe he will bring us new insight into the problems facing Iraq and encourage the American people in the ongoing struggle.

The United States is making a difference. Iraq is rebuilding. Insurgents are being fought with steadfastness and courage. And Iraq remains on the path toward freedom. We ask for nothing more.

I thank the Chair. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

THE ECONOMY

Mr. COLEMAN. Mr. President, my colleague from Colorado talked about the economy. Although I want to talk about Iraq, I want to follow up the comments made by the very distinguished Senator from Massachusetts who talked about all the negative things that are happening to this economy.

I find it so stunning that folks can continue to be so negative. America has come such a long way from the attacks of 9/11 that took a trillion dollars out of this economy, and the corporate fraud generated from Enron and WorldCom, and from the recession President Bush inherited from the last administration. We cut taxes and we grew jobs, over 1.7 million in the last year.

We are not where we have to be. The President has said on many occasions that as long as one person is out of work, we have work to do, and we do that work and do it here, passing legislation such as class action reform, medical malpractice reform, the JOBS bill and the Energy bill, many of the legislation being filibustered, being blocked by my friends on the other side of the aisle.

One point that comes up again and again is that in spite of the steady stream of job numbers, now there is an argument made they are not quality jobs. I note that the facts belie that assertion. Three-quarters of the new jobs created, for instance, in May were in the industry categories that pay an hourly rate in excess of the overall average hourly rate in the private sector.

Inflation-adjusted hourly earnings increased 2.37 percent during the first 3½ years of the Bush administration, compared with only a 0.13-percent increase during the same period of time in the first Clinton administration. Per capita aftertax disposable income adjusted for inflation has increased 7.1 percent since President Bush took office, well above the 5.2-percent increase during the same period of the first Clinton administration.

I could go on and on. The fact is, this economy is moving forward. The fact is, housing home ownership is at an all-time high. The fact is, the tax cuts have made a difference, and yesterday there are still those who would like to somehow have the American public believe that all news is bad news.

I think the biggest challenge this economy faces is from the naysayers who keep saying again and again how bleak things are and you then undermine confidence and that, Mr. President, hurts the economy.

"60 MINUTES" DOCUMENTS

One other note. My friend, the Senator from Iowa, was on the floor, and I note that he and a number of others

had some very harsh words about the President based on something that was in a "60 Minutes" report which we now know was not true. Dan Rather came on last night and noted that he no longer has confidence in the documents that would allow us to continue vouching for them. These are documents related to the service of the President in the National Guard. He noted that "we did use the documents." He said, "We made a mistake in judgment, and for that I am sorry."

I hope my colleagues, who had such harsh words for the President based on those documents, will come forward and express the same sentiment that Mr. Rather expressed.

IRAQ

My colleagues also somehow would have us believe the world would be better today, would be a safer place if Saddam Hussein were still in power. I find that stunning. I find that striking.

My colleague from Colorado expressed a hope that I share: That the President go before the U.N. today and reiterate the inherent right of the United States of self-defense.

My colleague from Colorado challenged some of the statements of Secretary General Kofi Annan about the U.S. effort in Iraq. He noted and I note that the Secretary's comments were both factually wrong and ill advised. The fact is, Saddam Hussein violated 16 U.N. Security Council resolutions. Saddam Hussein is the one whose actions were illegal, reiterated again and again by the United Nations. The fact is, the United States took our case to the United Nations on more than one occasion, and the final example on November 8, 2002, the U.N. Security Council unanimously adopted Security Council Resolution 1441.

This resolution declared that Iraq was in material breach of its obligations to cooperate with inspectors who were looking into Saddam's efforts to develop chemical, biological, and nuclear weapons.

The resolution warned of serious consequences if Iraq ignored its last chance to comply, but Saddam did not comply. I repeat, Saddam Hussein is the one whose actions were illegal. The fact is, Saddam Hussein's list of other offenses is a long one and does not compare favorably with documents such as the U.N. charter and the Universal Declaration of Human Rights. This is a man who twice invaded his neighbors, used weapons of mass destruction against his own people and the people of Iran, who killed tens of thousands of political opponents, tortured thousands of political opponents and ordinary citizens. These were the illegal actions, and we should be glad they are all over once and for all.

The fact is, the U.N. did not have credibility with Saddam Hussein's regime. It never succeeded in enforcing its own resolutions or gaining unfettered access for weapons inspectors. Worse yet, it allowed a well-meaning humanitarian program to devolve into

a money-making operation for Saddam and his cronies throughout the world. The U.N. Oil for Food Program became a personal bank account for Saddam Hussein in which, by a GAO report estimate, he got at least \$10 billion—that is with a "B"—for his own personal use.

Right now, the Permanent Subcommittee on Investigations, which I chair, is looking into that \$10 billion theft, that \$10 billion fraud, that \$10 billion corruption, and checking to see where that money went, has it been used to fuel an insurgency, has it been used to impact the policies of some nation states that did not allow the Security Council to vigorously oversee and enforce that program the way it should have been done.

No, there is nothing wrong or illegal about liberating 25 million people from tyranny, and there is certainly nothing illegal about fighting for their freedom and liberty today.

Regardless of the U.N. Secretary General's comments, America will remain a supporter of the U.N. and many multilateral organizations. It is in our interest. More often than not, we can accomplish greatness when we work together. The U.N. can offer great promise or cooperation in peacekeeping and humanitarian work and shining a light in dark places, efforts that are often more effective when many are united rather than when countries go it alone. But we are not going it alone in Iraq. We have over 30 nations that are sacrificing with us. The failure of the United Nations to enforce its resolutions against Saddam, the failure of the United Nations to act vigorously to genocide that is going on in Darfur and the far region of Sudan, the failure of the United Nations to do nothing more than talk when brutality and oppression shows its ugly face around the world undermines confidence in the United Nations. That puts the United Nations in a position where many are comparing it now to the League of Nations, a place where people just talked but never acted. Sometimes real leadership means having the courage to do what is necessary and not just what is popular.

In his State of the Union Address, the President said there is a difference between leading a coalition of many nations and submitting to the objections of a few. America will never seek a permission slip to defend the security of our country. While the United States and its allies have carried the burden of freedom's work, we cannot ignore the fact that soldiers and might cannot do the job alone. I understand that diplomacy is crucial to world order. It should not descend into finger-pointing and gainsaying, especially at a time when so much is at stake and we ought to be joining together, not pointing fingers. It is the terrorists in Iraq who want to deprive the citizens of that country their basic human rights.

What Saddam Hussein could not take from them the terrorists are hoping to