The two managers of this bill are two of our finest. Senator FEINSTEIN in the past has managed bills as a member of the Appropriations Committee. Senator BENNETT is someone who has a great knowledge of Senate procedures. He is, in my opinion, a Senator's Senator. He does such a good job in everything he is involved in. We have two very good, thoughtful managers of this bill. If anyone can move this forward, I know the two of them can.

RECOGNITION OF THE MINORITY LEADER

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

LOBBYING AND ETHICS REFORM LEGISLATION

Mr. MCCONNELL. Mr. President, I would like to say to my good friend, the majority leader, I share his view that we ought to make progress on this bill. There are a number of amendments already pending. We will be working together during the course of the morning to get some votes scheduled. I share his view that we ought to finish this bill next week. So we will be going forward in a cooperative frame of mind.

This is an important piece of legislation. It has bipartisan support, as illustrated by the fact that the majority leader and myself are cosponsors of the substitute he offered yesterday. This is a piece of legislation that ought to be passed and ought to be passed soon in the Senate and will be done with a broad bipartisan basis of support.

So I look forward to working with my friend during the course of the day to get votes in the queue so we can move forward.

Mr. President, I yield the floor.

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

Mr. REID. Mr. President, if I could say one thing before the Republican leader leaves. I want everyone to hear what I said before. The first measure Senator MCCONNELL and I introduced, S. 1, will be the most significant lobbying and ethics reform bill since Watergate, if nothing else happens. And then we went a step further and, on a bipartisan basis, offered the substitute amendment which moves the ball down the field by a long way.

This bill is significant, and if nothing else happens other than S. 1 and the substitute, this will be a tremendously important piece of legislation in the annals of the history of this country. We have a lot of other people who want to improve the bill in their mind, and that is what this amendment process is all about. But we cannot lose sight of the fact that this is a significant move forward in ethics and lobbying reform with the two measures that have been put forward on a bipartisan basis. We have done already, some good work for the Senate.

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

Mr. MCCONNELL. Mr. President, I might add, I agree with everything the majority leader said. This substitute is essentially what passed the Senate last year 90 to 8. The Senate is ready to act or close to ready to finish this important piece of legislation. We were last year. It was bogged down in the legislative process in dealing with the other body. But we are going to pass this next week with an overwhelming bipartisan vote. And the majority leader and I will be working together to make that possible.

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 up to 1 hour, with the first half of the time under the control of the majority and the second half of the time under the control of the minority.

The Chair recognizes the deputy majority leader.

IRAQ

Mr. DURBIN. Mr. President, tonight President Bush will address our Nation. The subject is one that is on the minds of virtually every American. It is Iraq. According to the accounts in the press, President Bush will be announcing that he will be increasing the number of U.S. forces in Iraq, perhaps by 20,000 troops.

If these news accounts are correct, that means an additional 20,000 American service men and women will be sent into harm's way or ordered to remain there for longer tours of duty.

This morning on television, on CNN, they interviewed the families of some soldiers who are now headed for their third tour of duty. There was a sad, heartbreaking interview with a mother—her two small children nearby, and her soldier husband sitting just a chair away. She said she could not be prouder of her husband. She considered him a hero and a brave man and that he would answer the call of duty whenever. But she said, in her words: It is just so frustrating trying to raise this family with my husband being called to duty over and over and over again.

Our hearts go out to those families. Our prayers are with them and the troops as this decision is made to escalate this war in Iraq, to raise the number of troops from 144,000 to possibly 164,000 or higher.

These troops follow these orders because they are the best and the bravest. They march off to war, risk their lives, away from those they love because they are sworn to protect this great Nation. We can never thank them enough for what they are doing. Every moment of debate that we have on the floor of this Senate about the policy of our Government toward Iraq should not diminish nor detract from our great debt of gratitude to these men and women and their families.

I will be joining a number of my colleagues this afternoon as we sit with the President for a final briefing before his decision. Sadly, I am afraid that decision has already been made. It is the wrong decision. For reasons I do not understand, President Bush has reversed a position which he took early on. His position was that he would heed the advice and counsel of the men and women in uniform, of the generals in the field, of those who were in command and could see the actual battle on a day-to-day basis. The President told us, over and over again, he would only dispatch as many troops as they asked for. But clearly that has changed.

General Abizaid, who was the leader, the commanding general of CENTCOM, who oversaw Iraq and Afghanistan, told us in November he saw no reason for more U.S. troops. Let me read what General Abizaid said in testimony before Congress just weeks ago:

> I met with every divisional commander, General Casey, the core commander, General Dempsey. We all talked together. And I said, in your professional opinion, if we were to bring in more American troops now, does it add considerably to our ability to achieve success in Iraq?

General Abizaid went on to say:

> And they all said no. And the reason is, because we want the Iraqis to do more. It's easy for the Iraqis to rely upon us to do this work.

General Abizaid said:

> I believe that more American forces prevent the Iraqis from doing more, from taking more responsibility for their own future.

Those are the words of the commanding general in Iraq a few weeks ago. Those were words which the President told the American people repeatedly would be his guidance in making decisions about whether to send more troops into battle. Those are words which the President tonight will ignore and reject.

There is a sad reality. The sad reality is this: 20,000 American soldiers, too few to end this civil war in Iraq; too many American soldiers to lose. I do not understand the President's logic. I do not understand how 20,000 troops could significantly make any difference.

Will there be a time line for these troops? If this is, in effect, a surge, as the White House has characterized it over and over again, is it temporary in nature? Well, if it is a surge that is temporary in nature, it betrays another position taken by the White House. How many times have we been told we cannot talk about an orderly

withdrawal from Iraq or redeployment? How many times have we been told we do not talk about when we are going to bring American soldiers home for fear the enemy in Iraq will wait us out?

If this increase and escalation of troops is temporary in nature, then it betrays the argument which the White House has made now for years. If we are going to add 20,000 troops, how can we guarantee that the enemy will not ''wait us out''?

I find it hard to follow the President's logic. I don't understand why he believes 20,000 troops will change the complexion of a civil war. I certainly don't understand how sending troops in on a temporary basis is going to result in anything of a positive nature. Army Chief of Staff Peter Schoomaker said:

We should not surge without a purpose and that purpose should be measurable.

What is the purpose? How will it be measured, and what is the timeline for completion? When does the President expect these troops and the 144,000 other American troops currently in Iraq to return home? The President may not want to use the word ''escalation,'' but that is the word that fits because if he is going to increase the number of troops, increase the danger to our soldiers, it is an escalation of this war. Like Presidents Kennedy, Johnson, and Nixon, President Bush is saying that he is sending more troops because conditions on the ground demand it.

In 1966, President Lyndon Johnson said:

Our numbers have increased in Vietnam because the aggression of others has increased in Vietnam. There is not, and there will not be, a mindless escalation.

But that escalation was followed by many others because American Presidents were trying to win someone else's civil war and because they were refusing to recognize the fundamental reality.

It is that the Iraqis, if we send in 20,000 more troops, will assign 20,000 troops or more to match. I suggest that that is a departure from what we have heard from this White House. Every schoolchild in America can recite the mantra: As they stand up, we will stand down. We have heard this over and over and over again. The suggestion that, as the Iraqi soldiers stand up and take responsibility, American soldiers can come home, that has been the promise. But if this is the bargain today, 20,000 American troops to generate 20,000 Iraqi troops, then we have changed the mantra. The mantra now is, as American troops stand up, Iraqi troops will stand up. If that is, in fact, the new policy, how can there ever be any end in sight?

We understand the reality. After almost 4 years, in a war that has lasted longer than World War II, we understand that we cannot win on a military basis. The President said it. Secretaries of Defense have said it. The generals in the field have said it. The Iraq war can only be stabilized and won on a political and economic basis. And to start with, we must disband the militias. The notion that leaders like Sadr can create a militia, a death squad, which can roam the streets of Baghdad and the roads of Iraq with impunity, suggests that there will be no stability and no security under these circumstances. The simple fact is, there is no sharing of power.

When I visited Iraq the second time a few weeks ago with Senator JACK REED of Rhode Island, we visited ministries which provide services almost exclusively to one religious sect. The health ministry, under the control of Mr. Sadr, is a ministry which provides few if any services to Sunnis. The Sunni population, which is about a third of the population of Iraq, doesn't get the hospitals and doctors. This ministry just helps Shias.

I also talked to some people in the field. I said: When it comes to police protection, how does that work?

Well, if you go into Baghdad and go into the police station, you will quickly learn whether it is a Shia or Sunni police station. Shia police don't arrest Shia civilians, and Sunni police don't arrest Sunni civilians. That is how badly fractured the society of Iraq is today. Is there anyone who believes that 20,000 American troops will change that? That decision has to be made by that Government's leaders to change Iraq and move it toward a nation and away from warring factions.

Some are skeptical. They argue that this division in Islam is 14 centuries old, and it is naive for westerners such as Americans and the Brits to believe that the arrival of the best troops in the world is somehow going to quell the flames of this battle that has gone on for centuries. It certainly isn't. It isn't going to change the circumstance without new political leadership. We need to establish civil order in Iraq. We need to make certain that we have leadership in this government that makes hard decisions that moves it toward a true nation. That is the answer to the stability of Iraq, not 20,000 American soldiers and marines, sailors, and airmen who are now going to add to the ranks of those who risk their lives every day.

It is time for the President to also be honest with the American people about the cost of this war. As of this morning, 3,015 American troops have died in Iraq; 7 times that number have come home disabled, maimed, blinded, suffering amputations and traumatic brain injury. That is the human legacy which is the paramount concern we all have.

There has also been another legacy of cost, almost $2 billion a week that we are spending in the war on Iraq, money taken out of the United States and away from the very real needs of our Nation being spent over there. Yet here in the fourth year of this war, less electricity is being generated in Iraq than on the day we invaded. There is an opportunity for us to provide drinking water, but it, unfortunately, hasn't been successful, despite 4 years of effort. Sewage facilities, jobs, the most basic things, the most basic services by which you judge a society, those measurements tell us that we have failed to produce in Iraq as promised.

That is the reality, despite some $380 to $400 billion having been spent by the United States in the 4 years we have been involved in this war. Now the administration is preparing another supplemental request. I read in the papers this morning that they are going to try to keep it under $100 billion. They come in and call this war an unanticipated emergency appropriation. We are now in the fourth year of unanticipated emergency appropriations. Sadly, every dollar we are spending in Iraq is a dollar not spent in America and a dollar of debt left to our children.

This President is the first President in the history of the United States, despite all the conflicts Presidents have faced, to call for a tax cut in the midst of a war, making our deficit situation even worse. The President needs to be much more honest with the American people in terms of the real cost of this war.

Let's speak for a moment about the state of our military. Again, they are the best and bravest in the world. Meeting with them on my recent trip, I left with pride that they would put on the uniform and risk their lives for our country. But our military has paid a heavy price, not just in the deaths and casualties but in the fact that they have lost combat readiness, equipment. They have been weakened in a world where we can't afford to be weak. This President refuses to replenish the troops as needed. Our National Guard units in Illinois and across the Nation have about one-third of the equipment they need to respond to a domestic crisis or if activated again in Iraq. There is little or no effort to replenish these troops as they must be. We struggle, offering bonuses and incentives to bring in more recruits and retain those who are currently serving, understanding that our ranks are thinning because we have asked so much of these men and women who serve us.

General Abizaid told the Senate Armed Services Committee in November that the military does not have the capacity to maintain an additional 20,000 soldiers and marines in Iraq. It will be interesting to see how the President suggests we find these soldiers and marines that he now wants to send over in the escalation of this war.

General Abizaid said:

The ability to sustain that commitment is simply not something we have right now with the size of the Army and the Marine Corps.

That was the general's testimony just a few weeks ago. Yet the President has decided to ignore the general's statement and to call for more troops. I don't doubt the Pentagon can find somewhere to get additional troops, extending the tours of duty of those who

are currently there, for example; and I don't doubt that our brave men and women will bear this ever-increasing burden. But I ask, at what cost to our Nation, at what cost to its families?

We have to ask as well: How does sending more troops represent the change in direction so clearly called for by the American people when they voted this last November? Tragically, this idea of escalating the war is more of the same. Tonight I expect the President to use the word ''change'' repeatedly, but I have seen little to give me hope that he will actually implement change or a new direction in our policy in Iraq.

I want Congress and the American people to finally ask the hard questions. For the 4 years of this war, this Congress has been supine. It has refused to stand up and accept its constitutional responsibility to hold this administration, as it should hold every administration, accountable for its conduct and spending. That is why I am heartened to know that even this week, we will have our first hearings before the Senate Armed Services Committee and the Senate Foreign Relations Committee, hearings by Chairman LEVIN and Chairman BIDEN, in an effort to ask some of the hard questions about the policies we have in Iraq.

This line of inquiry is long overdue. Simple things need to be asked. First, some accountability when it comes to the money that is being spent. We have all heard about the abuses, the profiteering. It doesn't make America any safer or help our troops at all. It pads the bottom line for private companies, many of whom benefit from no-bid contracts, but it doesn't make us any safer. We need to hold the Department of Defense accountable, to make sure that taxpayers' money is well spent, to make sure that the money being spent for our troops is, in fact, providing them with the best equipment and everything that was promised. That inquiry is long overdue.

We are also, of course, going to face the reality that this civil war in Iraq is getting worse and not better. When 3,000 civilians die in the course of a month, it is an indication of a society that is out of control.

We will soon be approaching the fourth anniversary of the invasion. I can remember when the vote was cast on the floor of the Senate. It was late at night. It was a week or two before the election. Several of us who had voted against this use of force because of our serious concerns didn't know, of course, what it would mean in the next election or how this would play out ultimately.

We stand here today, some 4 years later after that vote, and realize that this decision to invade Iraq was the most serious strategic mistake in foreign policy made by this country in the last four decades. One has to go back to the decision in Vietnam to continue to escalate that conflict, long after we had any prospect of success or victory, to find an analogy in recent memory.

The time came under President Gerald Ford when he faced the reality of Vietnam. It is time for President Bush to face the reality of Iraq. The reality is this: America has paid a heavy price. We have paid with American blood. We have paid with American sacrifice. We have paid with American treasure. We have given the Iraqis so much. We have deposed their dictator. We put him on trial. He will no longer be on the scene in any way, shape, or form since his execution. We have given them a chance to draft their own constitution, hold their own free elections, establish their own government. We have protected them when no one else would. America has done everything promised in Iraq. The reality, though, is we have done what we can do. Now it is up to the Iraqis. It is up to them to stand and defend their own country.

Sending in 20,000 more troops at this moment says to the Iraqis: Don't worry. America will always be there to bear the brunt of battle so that Iraqis don't have to.

That is not the right approach. The best approach is for us to start redeploying our troops on a systematic basis so that the Iraqis know that it is their responsibility and their country that they must stand and defend. It is time for us not to send more American troops into danger but to bring American troops out of danger and back home. That needs to start and start immediately.

Instead of the President's escalation of the war within the next 6 months, we should begin to redeploy our troops so that it truly becomes an Iraqi effort to create an Iraqi nation. Our end goal, as the Baker-Hamilton Iraq Study Group showed us, should be redeployment, repositioning of the majority of our forces by the first quarter of 2008. Escalation is not a blueprint for success. It is a roadmap to where we have already been.

Mr. GREGG. Will the Senator yield for a question?

Mr. DURBIN. I am happy to yield.

Mr. GREGG. I have been wondering what the specific position of the Democratic leadership was on the other side of the aisle relative to Iraq. If I understand it correctly, it is that we should redeploy—which, I presume, is a euphemism for withdraw—is that correct?

Mr. DURBIN. The redeployment would take the troops out of Iraq and, perhaps, position them in a nearby country. We would still be involved in trade, still be involved in hunting down al-Qaida forces and trying to stop terrorism. Yes, our feeling is—and I think the Senate vote on this—we should begin redeploying troops on a 4-to-6-month basis.

Mr. GREGG. Mr. President, if I may use the term withdraw, I have heard the term withdraw being used, but apparently it doesn't mean the troops would be coming out of Iraq. The Senator further suggested that that should be done immediately, is that correct?

Mr. DURBIN. Our feeling is that we could not do it immediately. The Baker-Hamilton study group suggested that we would basically redeploy our troops over a 15-month basis. That would suggest an orderly movement of troops of maybe 10,000 a month. But if you did it precipitously, it would create a danger for our troops and an instability. I think if we had an orderly redeployment, withdrawal, the Iraqis would get the message that they have to step in as American troops are redeployed.

Mr. GREGG. The Senator used the term ''immediately'' in his statement. That is why I wanted to clarify that. So we should withdraw over the horizon, i.e., redeploy, the Senator said, and that withdrawal should be at a pace of about 10,000 troops per month, and that process should begin immediately, I guess, and that it would be completed within 18 months, being the first quarter of 2008. Is that basically the specifics of how the Senator would approach the situation on the ground?

Mr. DURBIN. What I described to you is the Baker-Hamilton proposal. I did make exceptions for leaving troops there for training purposes and for hunting down al-Qaida terrorists, those specific circumstances. My feeling is that over a 4-to-6-month basis, we need to establish timelines so our troops could start moving away from Iraq and the Iraqis can step in. I use 10,000 a month because that is the way the math works if you follow Baker-Hamilton. It could be zero troops withdrawn or redeployed in the first 60 days, and 20,000 or 30,000 at some future time.

My personal belief is that until the Iraqis understand that we are leaving, they will not accept the responsibility to defend their own government and country, and they won't make the hard political decisions to put an end to the civil war.

Mr. GREGG. I appreciate the specifics from the assistant leader. I have not heard specifics from the other side of the aisle. I think it is constructive.

Can I continue to ask the question, however, to get a sense of what the specific proposals are from the other side. The President is going to send up a supplemental estimated to be over $100 billion. We have already had one of approximately $70 billion. So we are talking of a total supplemental of $170 billion. This additional supplemental would be, I presume, to cover what is being represented in the press as potentially a surge in troops and additional spending of significant dollars for reconstruction. Is it the position of the Senator that that $100 billion is more money than needs to be spent? In other words, if the proposal of the Senator, which is a withdrawal over the horizon, to begin over the next 2 or 3 months, accelerated to the point where it was completed by the beginning of 2008, averaging about 10,000 people per month—is it therefore the Senator's position that if you pursue that course

of action, you would not need $100 billion?

Mr. DURBIN. I don't serve on the Armed Services Committee, but it is my guess that redeploying troops is also a very expensive endeavor—maybe as expensive as deploying them and holding a position. So I don't know if there will be a savings if there is a redeployment. Although I voted against the use of force resolution that led to the invasion, I voted for every penny this administration asked for for the troops. I believe—and I think my fellow colleagues on the Democratic side, and I am sure on the Republican side—that they don't want to shortchange the troops either as they stay in Iraq or if they are redeployed from Iraq. I would judge the supplemental under those circumstances. What will it cost to redeploy them safely?

Mr. GREGG. I thank the Senator; he is always forthright. I will ask a followup question. Does the Senator believe this supplemental that is coming up, as I believe, should go through the regular order rather than being declared an emergency and have authorization language, or go through the authorizing committee for review and then go to the appropriating committee and then come to the floor?

Mr. DURBIN. I don't speak for the leadership or anybody in the caucus, but I believe that. This notion that we are dealing with an unanticipated expenditure in the fourth year of this war is a charade. I think it would be better for us to deal with this in the regular appropriations process so that we can integrate the cost of the supplemental with the actual expenses of the Department of Defense and do our best to meet the needs of our soldiers and yet not waste taxpayer dollars.

Mr. GREGG. I appreciate the Senator's courtesy in allowing me to ask him some questions.

Mr. DURBIN. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Without objection, the time on the majority side will be reserved, and the Senator from New Hampshire is recognized.

CONFRONTING A CONUNDRUM

Mr. GREGG. Mr. President, I rise to discuss again what I consider to be the single largest quality-of-life issue we have confronting us as a nation. That is the issue of how we pay for my generation, the baby boom generation, which is about to begin to retire and the effect our retirement as a generation will have on the capacity of our children to be successful and have a quality of life that is equal to what we have had as a nation.

We confront a conundrum. The baby boom generation has been the most productive and most resilient generation in the history of the Nation. As a result, through each decade of its growth, beginning in the 1950s when it added a lot of elementary schools, right through the 1960s, 1970s, 1980s, 1990s, and into the 2000s, when it created a huge engine of economic activity in this country because there are so many of us, so highly educated and so aggressive as a productive engine for the whole Nation, we have been able to contribute to society and to our Nation the highest quality of life in the history of our Nation—in the history of the world, for that matter.

But now this generation, which is the largest generation in our history, is going to begin to retire. All of the retirement systems were built up over the years in order to benefit people who retire in our Nation, to make sure they can retire with dignity, Social Security, Medicare and, to a lesser extent, Medicaid. It was based on the promise that Franklin Roosevelt had, which is that you would have a lot of people working and a few people retiring. In 1950, the concept was that you would have, for example, 13 people working for every 1 person retired, so that the working Americans would be able to not only earn a good living for themselves but would also be able to support those people who are retired.

Well, that equation fails in the present projected future because the baby boom generation doubles the number of retirees from approximately 35 million to 70 million, and from a system which had 13 people working for every 1 person retired in the 1950s to about 2 people working for every 1 person retired by 2025. So you go from a pyramid to a rectangle and you have those working people trying to support the people who are retired. There are not enough people working to do that. So you create a huge burden and basically a fiscal crisis of inordinate proportion.

I have a chart nearby that clearly reflects this problem. This simply shows three costs that the Federal Government incurs, which are Social Security, Medicare, and Medicaid, the three largest entitlement accounts, as they are referred to.

Those accounts make up about 8 percent of our gross national product today. Historically, the Federal Government spends about 20 percent of GDP. If it gets much above that 20 percent of the GDP, it becomes an extreme burden for the productive side of our economy and you end up with people being able to produce less because the Government is taking so much out of their paycheck and productivity drops and quality of life drops.

So we have as a nation always sort of maintained within a fairly small range this concept that the Federal Government should spend about 20 percent of GDP. That goes way back. This chart takes us back to 1962. In times of war, that spikes, and it has historically—especially in World War II. But that is the traditional amount.

However, the problem we confront is that the cost of Social Security, Medicare and Medicaid alone—those three items—because of the retirement of this huge generation and the price which it will take to pay benefits for that generation, actually will absorb 20 percent of GDP in the mid 2020 period, which is not that far away. It is within 20 years, which is not that far. We will actually have a situation where three Federal programs are using all of the dollars which historically the Federal Government has used in order to support the purposes of the Federal Government. So that would mean, theoretically, that the only thing you could pay for would be those three programs. You could no longer pay for national defense, which is the first responsibility of Federal Government; you could not pay for education, health care, environmental protection, or all of the things the Federal Government does that are significant in improving the quality of our standards of life.

That, however, doesn't end the problem, because the cost of this generation continues to go up. In fact, just those 3 programs break through the 20-percent line and go well up into the high 20 percent—28, 29 percent of GDP, as projected—as we head out into 2030 to 2040.

Basically, what you see is the fact that we are headed toward a situation where the cost of these three programs alone will essentially bankrupt our country. The practical implications of this are that the younger generation, the people working for a living, our children and grandchildren, will have to pay a tax burden that is so high that their discretionary income won't be able to be spent on educating their children with a better college education, or on buying a home, or on living a better lifestyle. Their discretionary money will go to taxes to support the cost of these three entitlement programs.

This is not a sustainable idea. This is not an idea that any responsible person involved in governance could subscribe to. Certainly, one generation has no right to pass on to another generation a set of costs that is going to bankrupt the capacity of the next generation to live as good a quality of life as the prior generation was living. It is not right, fair, or appropriate.

Another thing this chart shows is that, as a practical matter, you cannot tax your way out of the situation. A lot of people say: we will just raise taxes. You cannot tax your way out of the situation. You cannot raise taxes high enough to pay for the costs we are going to incur as a result of these entitlement programs having to benefit so many Americans.

Why? It is very simple. Historically, Federal taxes have been 18.2 percent of GDP. Today we have Federal tax of 18.4, 18.5. So we are over the historic norm today. Once you get Federal taxes up above 20 percent and they head toward 23, 24, 25 percent, or even higher, in order to accomplish the coverage of these costs, you are essentially going to be taxing productive Americans at a level where you would reduce dramatically their productivity..