over a month. I hope my good friend from Virginia, and his colleague who supports the nominee who is of the other party, will continue to press the chairman of the Judiciary Committee and the majority leader to move forward with a nominee who appears to me by all accounts to be about as noncontroversial as can be come up with. So I thank my colleague from Virginia.

Mr. WARNER. I thank again our colleague from Rhode Island.

I spoke earlier when the distinguished Senator from New Mexico, Mr. DOMENICI, was on the Senate floor talking generally about the drilling offshore. I mentioned that for many years I have been working on it with other colleagues in this Chamber and lost the majority by one vote.

I ask unanimous consent to amend those statements with further criteria.

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

Mr. WARNER. Madam President, now I wish to briefly address what I think is a very important aspect of the ongoing debate on energy. I want to laud many Senators on both sides of the aisle who are looking at the gravity of the situation. Families sit around the kitchen table in the evenings and work out problems among themselves, including the gravity of the problems associated with the rising gas prices at the gas pump, food prices, and many other issues. I went in and made a study of the increased cost of a loaf of bread, dishwasher fluid—I could go on and on—hot dogs, hamburgers. The extent to which prices are going up is extraordinary, coupled with the increased price at the gas pump.

We are all working together, and I firmly believe that under the leadership of Senators REID and MCCONNELL, we can come up with some sort of a bipartisan effort consistent with the overall policy the President has urged recently in his speech.

As important as offshore drilling is—and I yield not a foot of ground on that; I think it is important, and that is why I have been advocating it for many years. I support battery-powered automobiles, wind energy, and all of the other renewables. But we have to do something now, today, and tomorrow to help the people sitting around their kitchen tables trying to solve their problems. I have been looking at several options, and I will review them briefly.

I anticipate that one-third of Americans today are virtually desperate and trying to make ends meet with their family budgets, and the necessity to drive their automobiles to go to work, pick up their children, to visit their elderly grandparents—all of these things are matters of necessity, and they are trying to balance that out among themselves. What do we do about it?

I introduced the Immediate Steps to Conserve Gasoline Act—an odd title but straightforward in what it says. My idea is as follows: Many folks—a third of them—are conserving; they are taking conservation steps. Look at the statistics. You see less driving. Quite a few statistics are coming in about less driving, which translates into less demand at the gas pump. A free marketplace should lead to some measure of reduction. We recognize that gasoline and petroleum is at worldwide pricing, and we are in a one-world market. We are competing with other nations, which are likewise experiencing the rising costs of fuel.

My brother recently returned from a business trip to Europe. He is quite familiar with Central Europe and Austria. He said on the famous autobahn they are cutting back on the speed because there is a savings on gasoline. The faster you drive, the less efficient the carburetion process in the engine is in terms of delivering power.

I suggested to the President, to the Secretary of Energy, and I have asked the Government Accounting Office to look at a chapter in American history. I remember it quite well, 1973 to 1974. I was at the Navy Department. My friend from Rhode Island, John Chafee, and I were together at that time. I remember the President, together with the full support of the Congress, enacted legislation whereby America imposed a hardship on itself; it was a program all across America—and it is all a matter of public record—that made the speed limit 55 miles per hour. What I have asked the President, the Secretary of Energy, the GAO, and others to do is to go back and examine that period, take a look at it. Fifty-five might not be the speed limit; it might be 60 or even a slightly higher speed limit because of the improved carburetion process and efficiency achieved in this nearly quarter of a century in today's modern automobiles compared to the 1973–1974 automobiles.

It is interesting, in that period of time—and these are Government statistics—when the national speed limit was imposed, it saved 167,000 barrels of oil a day. The significance of that figure is that, in that period, 1973–1974, we were only 30 percent dependent upon importing oil from abroad. Now we are at 60 percent. So there has been a doubling of our dependency on foreign oil. Also, the number of vehicles on the road today—a quarter of a century later—is approximately twice the number of vehicles that were traveling America's highways and roads in 1973–1974.

I realize it is not popular to talk about it. Believe me, around my own dinner table at night, I have heard from my children, who are not at all pleased with this.

Anyway, I think we have an obligation as a Congress, working with the executive branch, to look at it. That is all I am asking. Go study it, those who are far more knowledgeable than I and those who have all of the facts at their fingertips, and let's bring in the private sector to give their views and look at this potential. If we were to bring about some reduction of the high speeds on America's roads and highways today, I think you could translate that into less demand at the pump and less demand in terms of out-of-pocket costs.

So there we are, simple as that. It is history, it worked, so let's look at it. That 55-miles-an-hour speed limit that was put in back then stayed for 20 years. Congress finally repealed it in 1995. Guess what. The cost of fuel had dropped to $2 a gallon or thereabouts.

The other measure that I bring to the attention of my colleagues is this: The American people are using their own initiatives to save energy, and I am calling on the entire Federal Government, under the leadership of the President, and all of the agencies and departments to see whether they can reduce their overall use of gasoline by 2 to 3 percent—just by a small margin.

We passed an energy act here not long ago, and I use that as a model. We were talking about other forms of energy there. That is becoming law.

For 1 year, the Federal Government can say we are going to join the citizens and reduce our overall consumption of gasoline by 2 to 3 percent, give it a try—anything to bring off pressure at the pump.

My two concepts fall clearly under the area of conservation. As I look at the various options my colleagues on both sides of the aisle are exploring and looking at, I do not see therein the conservation potential, thus far, which can bring about some relief. I am confident this can be done if it is done properly. The American people are not going to like it. Politically, it will be a tough one. Somehow, I have always felt, in the 30 years I have been privileged to be a part of this body, that we are called upon now and then to make tough calls and stand up to the American public and say we have to all pull together—the people and the Government, State and Federal.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. WHITEHOUSE. Madam President, I ask unanimous consent that after I have concluded my remarks, the control of the time go back and forth between the Republicans and the Democrats, alternating in half-hour increments.

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

HEALTH CARE

Mr. WHITEHOUSE. Madam President, I am very pleased to have a chance to speak today about the problem of health care in our country.

We are coming into a potentially very exciting time, when a new President and new administration will open up new opportunities to reform our ailing and broken health care system. It is a matter of urgency that we do so. It is also a matter of urgency that we get it right.

I have spoken on this issue on a number of occasions on the floor and elsewhere, and I often describe the marks of failure of our health care system, which are many. For example, the number of uninsured Americans is now climbing toward 50 million people. The fact is that despite the best doctors, the best nurses, the best medical equipment and procedures, the best medical education in the world, as many as 100,000 Americans are killed every year by avoidable medical errors. In the United States, our life expectancy, our obesity, and our infant mortality rates are an embarrassment compared to other nations.

The health care system cost is over $2 trillion. The last report I saw was at $2.3 trillion, and it is anticipated shortly to reach $4 trillion. At this point, we are spending 16 percent of our gross domestic product on health care, which is far more than any other nation; the closest nation comes to 11 percent. The average of the European Union countries is only 8 percent. So we are putting twice as much of our national product into our health care system as our European competitors are.

Within our own system, the insurance companies' overhead eats up 31 percent of private insurance health care expenditures. In the battle between insurers and providers over getting paid—which is becoming increasingly an arms race—$20 billion per year gets burned up and lost.

More American families are bankrupted by health care emergencies and health care expenses than any other cause. It is not just uninsured families who are being bankrupted. It is the insured as well because of the thinness of so much of our coverage. There is more health care than coffee beans in Starbucks coffee. There is more health care than steel in Ford automobiles.

So when you look at it from that perspective, you truly see a troubled system.

The Commonwealth Fund has recently put forward a report that drills into the problems of our system even further. I would like to take some time to share with my colleagues the findings from the Commonwealth Fund study. They are quite impressive, but not in a positive way.

They found that Americans spend more on health care expenses than any other of the countries they tracked. This axis of the graph shows total health care spending. This axis of the graph shows the out-of-pocket spending in addition to the insured health care spending. You can see that the United States stands as an extreme outlier to all of these other nations, including France, Germany, Canada, Netherlands, Australia, New Zealand, and Japan, and the average of the OECD countries—a group of 30 market economy countries that are very competitive with ours.

It is astonishing. We cannot remain competitive when total health care spending is this much above those countries, plus out-of-pocket demands on individual Americans, in addition to that national health care spending, is so much greater than those other countries.

People who spent more than $1,000 out of pocket for medical care in 2004 when the study was done: In the United States, nearly a third of the above-average income people; a quarter of below-average income people, compared to the United Kingdom, 2 percent and 5 percent; New Zealand, 4 percent and 6 percent; Canada, 10 percent and 12 percent; Australia, 8 percent and 21 percent. We are not even close.

Spending on physician services: In the United States, we pay $1,362 every year per capita on physician services. In the Nations with which we compete: Japan $563; OECD, the average is $482; Australia, $436; France, $371; Canada, $319; Germany, $307. That is a quarter of what we spend. And they are not receiving bad health care in those countries.

Pharmaceutical spending is a little bit more even but, once again, who has to spend the most? Good old USA, more than twice what the OECD average is or The Netherlands; about twice what Australia is. Over and over, we see persons punished by the cost of the health care system.

Here is what I mentioned earlier, the percentage of the gross domestic product spent on health care: America, 16 percent; the next highest is just under 11; OECD, the average is 8.7 percent. This is not a sustainable situation.

Health care spending per capita, $6,102 for Americans, compared to the competing systems: Canada, $3,165; France, $3,159; The Netherlands, Germany, Australia, OECD, UK, Japan, New Zealand, down to $2,083, about a third of what we spend in the United States of America. And they have very decent health care systems and, in many cases, better health care outcomes.

This is similar to the other graph showing that $6,102 goes per capita per year to support our health care system. This shows that if you break it up into public spending in the yellow, out-of-pocket spending in the white, and private insurance spending in the blue, if you take the private and out-of-pocket spending, it is more than every other country with which we compete. That entire $2,572 per person in private insurance spending is all above what everybody else has to pay for health care in their countries. No wonder facts such as these emerge.

Physicians perceive that patients often have difficulty paying for medications: 51 percent of American doctors have observed in their professions that we Americans have difficulty paying for our prescriptions—51 percent. In New Zealand, the next highest, it is 27 percent; Canada, 24 percent; Germany, 23 percent; Australia, 15 percent; UK, 13 percent; down to Netherlands, 7 percent. Wouldn't we be better off as a country if only 7 percent of physicians reported that their patients often had trouble paying for medications?

And for all of that, look at some of the results we get. Deaths due to surgical or medical mishaps per 100,000 population: America leads the nations with .7 mishaps per 100,000; .6 for Germany; .5 for Canada and France, all the way down to .2 for Japan and The Netherlands. We pay more, but we don't get better results.

This one makes me cringe to look at. Infant mortality rate for our country: 7 deaths per 1,000 live births. Look at the countries that beat us in infant mortality: New Zealand, Canada, United Kingdom, Greece, Ireland, Portugal, Australia, Netherlands, Switzerland, Italy, Denmark, Belgium, Germany, the Czech Republic, Austria, France, Spain, Norway, Sweden, Finland, Japan, and Iceland, with many countries with an infant mortality rate half our country's, despite the fact we are spending twice as much on health care.

If we look at potential years of life lost to circulatory illness, which means dying younger than you should have, America leads: 825 potential years of life lost per 100,000 population; Australia, 419; France, 411, half as much. It is embarrassing.

Potential years of life lost due to diabetes: In the U.S., again, 101, down to Japan, 25, four times better. Look at how we are outliers against the rest of our competitors and against these other developed nations.

Diseases of the respiratory system: Here we go again. Who is the worst? The USA.

Obesity: This is a huge indicator of future illness and future health care expense. Again, who is the worst? Madam President, 30.6 percent in the U.S., down to 9.5 percent in France; 10.9 percent in The Netherlands; 12.9 percent for Germany; the OECD average, 13 percent. We are twice as bad as the OECD average.

Look at the system that is backing it up. Patients reporting any error based on the number of doctors they have seen: If they have 4 or more doctors, 48 percent of American patients reported errors; with 1 doctor, it is 22 percent. We are worse than all the other countries again and again.

It is similar for medical, medication, and lab errors. Who is the worst? The United States, with 34 percent compared to 22 percent in the UK; 23 percent for Germany; 25 percent for New Zealand; 27 percent for Australia; 30 percent for Canada.

Incorrect lab and diagnostic test or delay in receiving abnormal test results: Again, who has the worst record? The U.S., 23 percent. The Germans managed to get that down to 9 percent. We are more than twice as bad as they are.

Coordination of care, vitally important for people who have multiple illnesses and multiple treatments, reporting of coordination problems: The U.S., 43 percent for those with 4 or more doctors; 22 percent for those with 1 doctor. That is again, worse than all of our competitors that were in the study.

Difficulty getting care on nights, weekends, and holidays without going to the ER: It has become standard in America that the place you get care on nights, weekends, and holidays is the emergency room, and that is why 61 percent of adults who sought care reported it was very or somewhat difficult to get care without going to the emergency room. In Germany and New Zealand, they managed to get that to 25 percent and 28 percent respectively, another measure that the system is not serving the American people.

Test results or medical records not available at the time of appointment: 23 percent compared to 11 in Germany. Again, we are the worst on the table.

Doctors who report they routinely receive alerts about potential problems with drug dosage or drug interactions: In the United Kingdom, 91 percent report they receive alerts about a potential problem with a drug dosage or interaction; 97 if you include those who use a manual system; 93 percent total in New Zealand; 95 percent in The Netherlands; 90 percent in Australia; 51 percent in the United States. We are not even close by a lot of these measures.

Here is our public investment per capita in health information technology, which is probably the platform to the solution of our health care dilemma: United Kingdom, 192 bucks per person in 2005; Canada, $31; Germany, $21; Australia, $4.93. Here is what we invest in the U.S.: 43 cents—43 cents—to develop health information technology. No wonder we are getting those results we saw.

And here they are, primary care doctors' use of electronic patient medical records: 98 percent of primary care doctors use electronic patient medical records in The Netherlands; 92 percent in New Zealand; 89 percent in the UK; 79 percent in Australia; 42 percent in Germany; and look at us, 28 percent. It is pathetic.

And where are the financial incentives to encourage doctors to do it? Why is it at 28 percent? Look who reports they have financial incentives for quality of care improvements: 95 percent do in the UK; 79 percent in New Zealand; 72 percent in Australia. Who, again, is the worst? Who again is trailing the civilized, developed world? The United States of America. Again, it is embarrassing.

If you are managing patients with chronic disease, which is where the big money is and where the biggest health risks are, how many primary care doctors get financial incentives for quality of care improvement: 79 percent do in the United Kingdom; 68 percent do in New Zealand; 62 percent in Australia; in The Netherlands, 47 percent; in Canada, 37 percent; in Germany, 24 percent. Look at us, 8 percent. And we wonder why there is a problem.

We are not even happy about the system and our interactions dealing with it. Does your doctor always listen carefully? Who comes in last? The U.S.

Does your doctor always explain things so you can understand them? Who comes in last? The U.S.

Does your doctor always spend enough time with you? Who comes in last? The U.S.

I know I have taken everybody through a lot of graphs. There are a lot more in the overall study by the Commonwealth Fund. This is the wrap-up of the ranks for 2004, 2006, and 2007 of the six nations. Who is last every year? Sixth place for six; sixth place for six; sixth place for six; and for $6,102 per person compared to about $3,000 or less for almost every other one of our competitors.

This is what it leads to. This is spending on health per capita. Back in 1980, all the nations were grouped fairly closely together. The other nations have remained fairly closely grouped. But look at what has happened to our cost profile, and it is going to continue to go up and up and up and up, and we are going to come to a breaking point.

David Walker, the former Comptroller General, has said the cost of the unfunded liability we bear for the future costs of entitlement programs is $53 trillion. I come from Rhode Island. We don't deal in trillions of dollars. Our whole State budget is a little over $5 billion.

What is $53 trillion? If a penny is $1 billion and 5 pennies is a stack about this high, which will be the entire State of Rhode Island budget, $53 trillion is a stack of pennies more than 250 feet high, through the roof of this building and hundreds of feet into the air.

What we are going to have is a health care calamity. We have two choices as to how we deal with it. We can wait around. We can wait until the wolf is at the door and then we can decide we cannot afford $53 trillion. We can make fiscal adjustments to that. We know what fiscal adjustments we can make. We have done some already. You pay providers less. You throw more people off health care. You make insurance coverage thinner. You raise taxes to pay for it. But we have gone down all those roads already. We have gone too far down those roads already. And if we are left with only those tools in the toolbox to solve this health care problem, we will be doing one of the gravest disservices this Congress has ever done to the country we are here to serve. Instead, we have to go and look at the health care delivery system and repair it so it provides better results.

The good news from all the bad news on those charts is that there is enormous room for improvement. We can substantially reduce the cost. There are three important ways I think we can go about doing this. The first is to improve our health information technology. We need to have a national health information technology infrastructure. The RAND Corporation values having a national health information technology infrastructure at somewhere between $81 billion and $346 billion per year. That type of savings is worth spending some serious money to achieve—not the 43 cents per person we saw on the graph. We have to engage in a national urgent construction project of a health information technology infrastructure.

The second thing we have to address significantly is the problem of quality and the underinvestment in prevention in our system right now. There are enormous savings to be reached there. In a project we are doing in Rhode Island, copying the Keystone project in Michigan, we are seeing significant savings in our intensive care units and improving quality of care. In Michigan, in 15 months, they saved about 1,500 lives, and they saved about $150 million. And it wasn't even in all the intensive care units in Michigan. There are huge savings from quality improvement if you can set up the incentives so people will do it.

When we set this up in Rhode Island, the hospitals came to me—I was attorney general then—and they said: we will do this, but it is going to cost $400,000 a year. And I said: Yes, but it saves money. Keystone showed that. We think it will save $8 million. That is a 20-to-1 return. Go. And they said: No, no, no, you don't understand how it works in the health care system. That $400,000 comes out of our expenditures. That is a negative on our bottom line. That $8 million savings comes out of our revenues. We get reimbursed for that care. So we will lose $8 million in revenues if you ask us to spend this $400,000. That is a big hit.

They agreed to do it, but I have taken aboard in my mind and my heart the lesson of how badly our health care system supports providers when they try to improve the quality of care in this very tough financial environment they are in.

That brings us to the third piece. Health information technology was first, quality prevention investment in ways that will save costs is second, and the third is to reform the reimbursement system so the price signal that gets sent into the market by our health care system directs people in ways we want.

We can't do this on a piecemeal basis any longer. These three ideas can dramatically reform our health care system. They have one problem. They will take some time. You can't turn the switch and make them go. We have some work to do to develop the strategy, to implement it, and to build what new infrastructure has to be constructed to make it work. I would guess, based on an experience I had in Rhode Island with a similar reform, that it is a 10-to-15-year lead time to have the full effect begin to show itself.

And you know what, if you dial back from the time when that $53 trillion fiscal tsunami is going to hit this country, that 10 to 15 years is probably right now. So not only is a new administration with a new President and new energy and new opportunities a great chance in the coming year to begin to get this work done and to open a substantial reform of our health care system, but it is also, in many respects, a deadline.

You can go by a highway exit and it is too late to come back to it, and I am afraid that is where we are right now. So as I prepare to conclude my remarks and yield the floor, I want to say to my colleagues: we are going to have to work very hard together to fix our health care system in the coming year. I know the financing problems and the access problems are real, but I urge and implore you to consider that it is not enough to repair the finance and the access problems of our health care system. We need to get into the delivery system and fix it so it provides better, less expensive, more efficient health care for Americans.

I believe we can do it, and I believe it is not a partisan issue. It is a question of right versus wrong, smart versus stupid, wasteful versus efficient, and not right versus left or Republican versus Democrat. So I challenge my colleagues to join me in this fight, and I look forward to the important results from it that America needs.

I thank the Presiding Officer for recognizing me, and I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. INHOFE. Madam President, I am introducing two bills today, the second of which resolves the problem of the gas price crisis at the pumps today.

(The remarks of Mr. INHOFE pertaining to the introduction of S. 3280 and S. 3281 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. VOINOVICH. Madam President, I rise today to speak about an issue that weighs heavily on the minds of every Ohioan—the skyrocketing cost of gasoline. There have been many elaborate theories bandied about on the floor of the Senate in the last month as to why gasoline is so expensive. We have heard that investors are driving up the cost of oil by 20 to 30 percent. But businessman Warren Buffett has said "it's not speculation, it's supply and demand." And Paul Krugman wrote in an op-ed, "the hyperventilation over oil market speculation is distracting us from the real issues."

Madam President, I will insert for the RECORD an article which appeared in the July 7–14 Newsweek edition by Robert Samuelson titled "Let's Shoot the Speculators!" The quote I want to make as part of my speech is:

> Gosh, if only it were that simple. Speculator-bashing is another exercise in scapegoating and grandstanding. Leading politicians either don't understand what's happening or don't want to acknowledge their complicity.

There have also been calls to increase production in the 68 million nonproducing acres that are already leased. Some of my colleagues are claiming that hundreds of small, medium, and large oil companies are colluding to not drill on their current leases because they want to restrict the supply so they can increase profits. At the same time, those same colleagues accuse the industry of wanting to open ANWR and the OCS to more drilling to increase profits by increasing supply. That makes absolutely no sense.

I think we can all agree this is a complicated issue with moving parts. Congress cannot afford to address the factors contributing to the high gas prices individually as we are doing today. We must look at the pieces comprehensively and find solutions to combat this crisis from all angles, and we have to act now.

Over the past months, I have heard loudly and clearly from thousands of Ohioans how this crisis is directly affecting them and their loved ones. In fact, this past July 4 recess I was talking with folks about high gas prices. They are frustrated and angry—frustrated at the high cost of gasoline and angry that Congress wasn't getting off its you know what to do anything about it. They told me about how the price of gasoline is affecting them where it hurts—right in their pocketbook. It is affecting vacation plans for those families who planned to take long trips this summer. It is affecting people who have to drive long distances for a living. And it is particularly affecting people who live on the financial edge.

The truth is, with the high cost of natural gas, and the high cost of gasoline and food, the standard of living of millions of Americans is being impacted substantially.

Other Ohioans have written to me, and one letter I think about quite often was from Mary Keener, who works at the James Cancer Center in Columbus. She wrote to my office to tell me about her concerns for patients living in Ohio's Appalachian region. She says:

> Patients call our office and say: "I know I need this cancer treatment to live, but I can't afford to buy the gas to get it. Can you help me?"

Every day, more and more Ohioans contact me and it is becoming clear that they get it. They realize we need to increase our oil supply and develop a comprehensive energy strategy.

Sadly, this crisis could have been averted. We have known for years that we need a comprehensive energy strategy, and I have been calling for one since I came to the Senate in 1999. In 2002, after the Senate failed to pass the provision that would have opened ANWR and dramatically increased our domestic energy production, I said:

> As we go down the road, I think those that voted against this amendment will regret their vote when we face the sticker shock at the gas pump and the eventual impact that continued dependency on foreign oil will have on our national security, economy, and our foreign trade deficit.

Since that vote, gas prices have increased more than 200 percent. Meanwhile, it took 5 years and 6 weeks of floor debate for Congress to pass the 2005 Energy Policy Act, a bill that only provided limited strides forward. And while the bill took modest steps to improve national energy efficiency, boost research and development funding for advanced energy technologies, and promote increased use of biofuels, it did not go far enough toward increasing our domestic energy supply.

For years, the gap in the United States between demand and domestic supply has been widening. In fact, U.S. oil production has steadily declined since 1970, when it was nearly 10 million barrels per day, to 5.1 barrels in 2007. So with less domestic resources available, we have been forced to seek energy abroad.

In 1973, the United States imported 6 million barrels of oil per day, or 34 percent of our total supply. By 2006, net oil imports were 12.4 million barrels per day, or 60 percent of our total liquid fuel use.

This chart gives you an idea of what has happened. Our domestic oil production has gone down and our need for imported oil has gone up. You can see the gap that exists. And the only way we are going to make any progress is to reduce that gap that is so pronounced today.

While Americans understand we need to increase the supply of oil, I am not sure they fully realize to what extent our life is threatened by our reliance on foreign sources of oil. Every year we send billions of dollars overseas for oil to pad the coffers of many nations that don't have our best interest at heart, such as Venezuela, whose leader has threatened to cut oil off to the United States.

In fact, in 2007, we spent more than $327 billion to import oil. Sixty percent of this, or nearly $200 billion, went to the oil exporting OPEC nations. In 2008, the amount we will spend to import oil is expected to double to more than $600 billion, $360 billion of which is going to go to the OPEC nations. Let's take a moment to put those figures into context, when compared to our fiscal year 2008 budget for our national defense, which was more than $693 billion. The $600 billion we will spend to import oil in 2008 is nearly equal—it is nearly equal—to the entire defense budget of the United States.

Our dependence on foreign oil has serious national security implications. In addition to funding our enemies, as I explained, we cannot ignore the fact that much of our oil comes from and travels through the most volatile regions of the world. A couple of years ago I attended a series of war games hosted by the National Defense University. I saw firsthand how our country's economy could be brought to its knees if somebody wanted to cut off our oil, as was done in 1973.

Do you know that 80 percent of the global oil routes flow through unstable countries, such as Iran? Over 40 percent of the world's oil travels through the Strait of Hormuz.

Just to give an idea, this graph reflects where we are getting our oil. Here is Venezuela—Chavez, the dictator down there who is working against our interests constantly in South America. He is no friend of ours. The Middle East. We know what we have over in this unstable part of the world. Our concern about Iran is also impacting on the price of oil, because people are not certain what is going to happen in terms of Iran.

Our dependence on foreign oil is even more troubling when you consider our Nation's financial situation. The decline of the dollar has had a direct effect on increasing prices of gasoline. In fact, many experts say we are paying substantially more to export oil today because of the weak dollar.

We cannot overlook our national debt. Today, 51 percent of the privately owned national debt is held by foreign creditors, mostly foreign central banks. That is up from 6 years ago. Foreign creditors provided more than 70 percent of the funds the United States has borrowed since 2001, according to the Department of the Treasury.

Who are these creditors? According to the Treasury Department, the three largest holders of U.S. debt are China, Japan, and OPEC. This is insane. It has to stop. We cannot afford to allow at this time countries that control our oil and our debt to control the future of the United States of America.

We need to enact an energy policy that broadens our base of energy resources to create stability, maintain reasonable prices, and protect our Nation's security. It must be a policy that will keep energy affordable, and it must be a policy that will not cripple the engines of commerce that fund the research that will yield environmental protection technologies for the future.

We need a second Declaration of Independence to move us away from foreign sources of energy in the near term and away from oil in the long term.

This is not going to be easy. As you know, oil is not easily found nor substituted, and it will remain an integral part of our economy in the short term. But we must make investments today that will help us achieve our goal tomorrow. To do this, I believe we must increase our supply, reduce our demand through alternative energies, and conserve what we already have.

We are trying to get folks to understand that if we want relief from high gas costs, we must begin to make investments today that will help us achieve our goal tomorrow. We talked a lot in recent weeks about finding more and using less. If we had accomplished this 10 years ago, I would not be here talking about the high price of gasoline and the suffering of Ohioans in my State.

In order to stabilize our Nation's energy supply, we must enact policies to increase development of domestic oil. While these resources will not physically come on line for a number of years—and people better understand it—moves to expand the development will send a clear signal to the market that we are serious about meeting our future energy demands and immediately begin to drive down the cost of oil because our investors will know that gas will not be worth as much in the future, and therefore they will sell it off today. It will have an impact on the price.

The fact is, we have more energy resources in the United States than any other country in the world. We are the No. 3 oil producer in the world, but the majority of our oil resources are locked up. Madam President, 85 percent of our offshore acreage and 65 percent of our onshore acreage is off limits. I was embarrassed that we have gone to Saudi Arabia with our hat in our hand to beg them to increase oil production. Rather than begging the Saudi Government, we need to be utilizing our own resources.

The other day I said if I were King Abdallah of Saudi Arabia, I would say to President Bush: Mr. President, why do you come to me asking for more of our oil when you have great resources in your country? You want to use all of our resources. In Alaska you have more than 10 billion barrels of oil. You had a chance to open ANWR to responsible environmentally friendly oil exploration in 1995, but President Clinton vetoed it. Your country could be producing an extra 1 million barrels of oil today, an increase of 20 percent over your current production.

Did you know that Prudhoe Bay, located west of ANWR, has cleanly delivered billions of barrels of crude oil since the 1970s, providing a strong example of the drilling that can be done safely with minimal environmental impact with today's technology and environmental safeguards.

You could also give your States the option of drilling on the Outer Continental Shelf. These reserves are believed to equal 8.5 billion barrels of oil, and undiscovered resources could equal 10 times that. That is 85 billion barrels of oil. But a moratorium currently prohibits access to the OCS.

By the way, I commend President Bush for lifting the executive moratorium. I will just keep talking for King Abdallah.

I know some of your environmentalists are concerned, but it is my understanding that there has not been a significant oilspill on the gulf coast for nearly 30 years, and in 2005 Hurricane Katrina passed overhead nearly 4,000 rigs without causing a significant spill.

You could make use of your vast reserves of oil shale. There are currently 800 billion barrels of oil, technically recoverable reserves, in the United States. That is three times larger than the total proven oil reserves of Saudi Arabia. Think of that, three times as much.

The Rand Corporation noted that:

> If oil shale could be used to meet a quarter of United States' demand, 800 billion barrels would last for more than 400 years.

Again, you passed a moratorium that prohibits access to these reserves—regulations even to go in there. Your friend up north, Canada, has some of the largest tar sand reserves in the world. A Congressman named WAXMAN passed a provision that jeopardizes access to those resources.

Don't forget coal. You have 250 years of coal in the United States, more than any other nation in the world. You are being prevented from using coal to liquid. As a matter of fact, in the State of Ohio, Baard Energy is planning a coal-to-liquid and biomass facility that will produce 53,000 barrels a day of jet and diesel fuel and other production from coal and biomass feedstocks.

Advances in carbon capture sequestration technology would lower the greenhouse gas emissions, but again, because of Congressman WAXMAN, your coal-to-liquid industry has slowed the Air Force's plans to run their entire fleet on synthetic fuel by 2016.

We ought to realize this. How did the Germans stay in the war effort when they had no oil? They took the coal they had, they converted it to oil, and that is how they kept their war machine going. It seems to me we ought to at least give recognition to the fact that we should make sure that our defense has all of the resources it needs in terms of oil.

I think we have to get real. We say to all these other countries that we want them to use their reserves, increase their supply. Frankly, they should say: Why don't you do it yourself? Why don't you do it?

The other thing we have to do is we have to use less. It is long past time for our Government to provide the spark to rekindle our Nation's creativity and innovation. Following Russia's launch of Sputnik, President Kennedy challenged us and said we are going to put a man on the Moon in 10 years, and we did it. By golly, if we could put a man on the Moon in 10 years, we can figure out how we can become the country that uses oil the least in the world. We do need a new Apollo project to encourage further advances in ethanol to cut consumption and the development of more efficient, hybrid electric and plug-in vehicles. I hope my grandchildren will be using plug-in vehicles. They will not be using any oil at all in terms of their transportation. If half our fleet of 240 million vehicles were converted to electric hybrids, we could reduce our oil imports by 4 to 5 million barrels a day.

Last week I chaired an energy forum and had the opportunity to hear from David Vieu, president of A123 Systems, which company is developing American-made battery technology. He explained that this technology is already commercially viable.

We are making some headway. We have to make up our minds that we are going to get the job done. We have to let the world know. Can you imagine what we could do? Let the world know we are going to go after every drop we have available, in terms of our supply, and we are going to do everything we can to reduce our demand. We are going to do everything we can to conserve what we have. I believe that will send the fear of God through those individuals, and we will see an impact on the cost of oil in this country, even though it is going to happen in the future.

Do you know what is funny. These folks are betting that we will not do what we ought to do because they have watched us. They have watched us. They have seen that we have not used our resources. They have watched us and seen that we have not used the best technology to reduce our demand for oil. They have watched us as we have not conserved as we should have been doing during the last number of years.

I think the chickens have come home to roost. High gas prices are hurting Americans. The problem we have had in this country is, we haven't had an energy policy, but we have not harmonized our environment, our energy, our economy, and our national security. I am confident we can come together on a bipartisan basis and work something out so the American people understand that the Senate and Congress have come together on an issue that is of crisis proportion to our fellow Americans, and that we care more about them and our country's future than we do about bickering with each other.

I go home all the time, and people just say: the reason your numbers are so bad is because we think you guys, men and women, are more interested in partisan politics and bickering than you are in getting together and getting the job done.

I have to say, from my perspective, it is very frustrating. I was the mayor of Cleveland, an 8-to-1 Democratic city; 21 councilmen and the most powerful council president. We worked together. We figured out how to move the city of Cleveland ahead for 10 years.

I became the Governor of Ohio, and Vern Rife was the speaker of the house 24 years, the most powerful Democratic speaker we had. After he discovered I was Governor after 6 months—it took a while—Vern and I sat down and said: You know what. Let's work together and move Ohio ahead.

I think it is time we got together and said: Republicans and Democrats, let's move America ahead. Wouldn't it be great for our children and grandchildren to one day celebrate the time America put aside its differences and came together to reaffirm its independence a second time and rekindled the American spirit of self reliance, innovation, and creativity to usher in a new era of prosperity?

Mr. President, I ask unanimous consent the Newsweek article by Robert Samuelson be printed in the RECORD.

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

[From Newsweek, June 28, 2008]

LET'S SHOOT THE SPECULATORS!

(By Robert J. Samuelson)

Tired of high gasoline prices and rising food costs? Well, here's a solution. Let's shoot the ''speculators.'' A chorus of politicians, including John McCain, Barack Obama and Sen. Joe Lieberman, blames these financial slimeballs for piling into commodities markets and pushing prices to artificial and unconscionable levels. Gosh, if only it were that simple. Speculator-bashing is another exercise in scapegoating and grandstanding. Leading politicians either don't understand what's happening or don't want to acknowledge their complicity.

Granted, raw-material prices have exploded across the board. Look at the table below. It shows price increases for eight major commodities from 2002 to 2007. Oil rose 177 percent, corn 70 percent and copper 360 percent. But that's just the point. Did ''speculators'' really cause all these increases? If so, why did some prices go up more than others? And what about steel? It rose 117 percent—and continued increasing in 2008—even though it's not traded on commodities futures markets.

A better explanation is basic supply and demand. Despite the U.S. slowdown, the world economy has boomed. Since 2002, annual growth has averaged 4.6 percent, the highest sustained rate since the 1960s, says economist Michael Mussa of the Peterson Institute. By their nature, raw materials (food, energy, minerals) sustain the broader economy. They're not just frills. When unexpectedly high demand strains existing production capacity, prices rise sharply as buyers scramble for scarce supplies. That's what happened.

''We've had a demand shock,'' says analyst Joel Crane of Deutsche Bank. ''No one foresaw that China would grow at a 10 percent annual rate for over a decade. Commodity producers just didn't invest enough.'' In industry after industry, global buying has bumped up against production limits. In 1999, surplus world oil capacity totaled 5 million barrels a day (mbd) on global consumption of 76mbd, reckons the U.S. Energy Information Administration. Now the surplus is about 2mbd—and much of that in high-sulfur oil not wanted by refiners—on consumption of 86mbd.

Or take nonferrous metals, such as copper and aluminum. ''You had a long period of underinvestment in these industries,'' says economist John Mothersole of Global Insight. For some metals, the collapse of the Soviet Union threw added production—previously destined for tanks, planes and ships—onto world markets. Prices plunged as surpluses grew. But ''the accelerating growth in India and China eliminated the overhang,'' Mothersole says. By some estimates, China now accounts for 60 percent to 80 percent of the annual increases in world demand for many metals.

Commodity-price increases vary, because markets vary. Rice isn't zinc. No surprise. But ''speculators'' played little role in the price run-ups. Who are these offensive souls? Well, they often don't fit the stereotype of sleazy high rollers: many manage pension funds or university and foundation endowments. Their modest investments in commodities aim to improve returns.

These extra funds might drive up prices if they were invested in stocks or real estate. But commodity investing is different. Investors generally don't buy the physical goods, whether oil or corn. Instead, they trade ''futures contracts,'' which are bets on future prices in, say, six months. For every trader betting on higher prices, another is betting on lower. These trades are matched. In the stock market, all investors (buyers and sellers) can profit in a rising market and all can lose in a falling market. In futures markets, one trader's gain is another's loss.

Futures contracts enable commercial consumers and producers of commodities to hedge. Airlines can lock in fuel prices by buying oil futures; farmers can lock in a selling price for their grain by selling grain futures. What makes the futures markets work is the large number of purely financial players—''speculators'' just in it for the money—who often take the other side of hedgers' trades. But all the frantic trading doesn't directly affect the physical supplies of raw materials. In theory, high futures prices might reduce physical supplies if they inspired hoarding. Commercial inventories would rise. The evidence today contradicts that; inventories are generally low. World wheat stocks, compared with consumption, are near historic lows.

Recently the giant mining company Rio Tinto disclosed an average 85 percent price increase in iron ore for its Chinese customers. That was stunning proof that physical supply and demand—not financial shenanigans—are setting prices: iron ore isn't traded on futures markets. The crucial question is whether these price increases are a semi permanent feature of the global economy or just a passing phase as demand abates and new investments increase supply. Prices for a few commodities (lead, nickel, zinc) have receded. Could oil be next? Barron's, the financial newspaper, thinks so.

Politicians now promise tighter regulation of futures markets, but futures markets are not the main problem. Physical scarcities are. Government subsidies and preferences for corn-based ethanol have increased food prices by diverting more grain into biofuels. A third of the U.S. corn crop could go to ethanol this year. Restrictions on offshore oil exploration and in Alaska have reduced global oil production and put upward pressures on prices. If politicians wish to point fingers of blame for today's situation, they should start with themselves.

Mr. VOINOVICH. I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WHITEHOUSE). Without objection, it is so ordered.

(The remarks of Mr. ROCKEFELLER, Mr. LAUTENBERG, and Mr. MENENDEZ pertaining to the introduction of S.J. Res. 44 are printed in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from New York.

KIYO MATSUMOTO AND PAUL GARDEPHE

Mr. SCHUMER. Mr. President, I rise to speak about two judicial nominees who were approved by this Chamber a few hours ago, both from my home State of New York. Happily, earlier today, they were confirmed by voice vote to be district judges in the Southern and Eastern Districts of New York. Both of these nominees, Magistrate Judge Kiyo Matsumoto and Paul