

Small Business Administration show that the home mortgage crisis is spreading, making it harder and more expensive for small businesses to get loans. Specifically, according to the Federal Reserve's survey, more than 30 percent of domestic banks indicated that they have tightened their credit standards for commercial and industrial loans to small businesses over the past three months. That same survey also found that 80 percent of the domestic banks reported tighter lending standards for commercial real estate loans—the highest percentage recorded since the Fed began posing the question 18 years ago.

While that information is troubling, it is not a surprise. So far this fiscal year, the number of loans made through the SBA's largest lending program, the 7(a) loan guaranty program, dropped 14 percent compared with the same period last year, and dollar volume fell six percent. Lending in SBA's 504 loan program, after growing steadily over the last few years, and being up even three months ago, has gone flat. These figures are alarming because, historically, SBA loan activity has increased when the conventional credit market has tightened and their absence or smaller role in financing is a problem. Why? These two loan programs—the 7(a) Loan Guaranty program and the 504 Loan Guaranty program—are the largest source of long-term capital to small businesses in this country. They play an essential role in the continuum of financing to our small businesses.

As we talked to lenders and SBA to try and understand what was causing this trend, we identified several changes we could make to SBA's lending programs to try and stimulate the economy. What could we do to get lenders to start lending again, and how could we make it more affordable for small businesses? The bill I am introducing today—the Small Business Lending Stimulus Act of 2008—incorporates those findings. We made the changes temporary, targeted, and timely. We have evidence that these changes work, because we did something similar, in a bipartisan way, after the terrorist attacks of 9-11, and it stimulated the economy and mitigated job loss and business closures by pumping almost \$3 billion into our local economies.

Unfortunately, there is no magic bullet to right the economy, but we need to use every tool at our disposal to mitigate further problems for our economy. The SBA's programs are one effective tool. I hope that my colleagues can get behind this legislation.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 445—EXPRESSING THE SENSE OF THE SENATE ON THE ASSASSINATION OF FORMER PRIME MINISTER OF PAKISTAN BENAZIR BHUTTO, AND THE POLITICAL CRISIS IN PAKISTAN

Mr. BIDEN (for himself, Mr. OBAMA, Mr. BAUCUS, Mr. DURBIN, Mr. HARKIN, Mr. CASEY, Mr. MENENDEZ, Mr. REID, and Mrs. FEINSTEIN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 445

Whereas, on October 18, 2007, former Prime Minister of Pakistan Benazir Bhutto returned to Pakistan after more than 8 years in exile, and was welcomed by supporters numbering in the hundreds of thousands;

Whereas hours after her return, a suicide bomb attack on her convoy in Karachi killed 145 people and narrowly missed killing Benazir Bhutto herself, in one of the most violent terrorist attacks in Pakistan's history;

Whereas Members of Congress and other friends of Pakistan wrote to President of Pakistan Pervez Musharraf weeks prior to the October 18, 2007, attack on Benazir Bhutto, urging support for the democratic process and the provision of adequate security for democratic leaders such as Benazir Bhutto;

Whereas Members of Congress and other friends of Pakistan wrote to President of Pakistan Pervez Musharraf immediately after the October 18, 2007, attack, urging that a specific set of security measures be taken to protect Benazir Bhutto, and that a full investigation into the October 18 attack be undertaken;

Whereas, on November 3, 2007, President Musharraf, in his role as Chief of Army Staff of Pakistan, declared a state of emergency, suspended the Constitution of Pakistan, dismissed Supreme Court Chief Justice Iftikhar Chaudhry and other justices of the Supreme Court and provincial High Courts, replacing them with candidates willing to take an oath to uphold his actions during the suspension of the Constitution, and initiated a nationwide crackdown on political opposition, the media, and the courts of Pakistan that resulted in the arrest of more than 1,000 political opponents;

Whereas, on December 15, 2007, President Musharraf lifted the State of Emergency, but did not reinstate the dismissed Supreme Court and High Court justices, allow full freedom of the press, or release all political prisoners arrested during the crackdown;

Whereas President Musharraf justified his actions in November 2007 on the grounds of more effective counterterrorism efforts, beginning his November 3 proclamation with the statement, "Whereas there is visible ascendancy in the activities of extremists and incidents of terrorist attacks, including suicide bombings, IED explosions, rocket firing and bomb explosions and the banding together of some militant groups have taken such activities to an unprecedented level of violent intensity posing a grave threat to the life and property of the citizens of Pakistan";

Whereas, on December 27, 2007, Benazir Bhutto was killed in the garrison town of Rawalpindi;

Whereas video footage, backed up by eyewitness testimony, shows at least 1 gunman firing shots at Benazir Bhutto instants be-

fore her death, and a second terrorist detonating a bomb near her vehicle shortly after the firing of the gunshots;

Whereas the precise circumstances surrounding both the October 18, 2007, attack and the December 27, 2007, assassination remain unclear, and those responsible for both terrorist attacks remain at large;

Whereas President Musharraf has accepted the assistance of Scotland Yard in his government's investigation of the assassination of Benazir Bhutto, but has rejected calls for an independent investigation under the auspices of the United Nations;

Whereas President Musharraf has used the turmoil following the assassination of Benazir Bhutto to delay elections from their scheduled date of January 8, 2008, to February 18, 2008;

Whereas Benazir Bhutto's political party and the other major opposition parties had opposed this delay, and have expressed concern that it was motivated by an intention to shape the outcome of the election through poll-rigging or other improper means;

Whereas the current political crisis in Pakistan has a grave impact on the national security of the United States, in that it seriously undermines the ability of the Government of Pakistan to devote adequate resources and attention to the fight against al Qaeda, the Taliban, and other extremist forces;

Whereas the political crisis in Pakistan cannot be resolved without a speedy return to the democratic path, including free and fair elections and restoration of an independent judiciary in accordance with the express wishes of the vast majority of the people of Pakistan;

Whereas the United States has provided Pakistan with approximately \$10,000,000,000 in assistance over the past 6 years; and

Whereas, on December 26, 2007, President Bush signed H.R. 2764, an omnibus spending bill which limited United States military aid to Pakistan to counterterrorism and law enforcement activities directed against al Qaeda and the Taliban, and which withheld \$50,000,000 in military aid until such time as the Secretary of State reports that Pakistan has restored democratic rights and an independent judiciary, and is making concerted efforts to fight al Qaeda and the Taliban: Now, therefore, be it

Resolved, That the Senate—

(1) conveys the deep condolences of the people of the United States to the people of Pakistan on the tragic loss of former Prime Minister Benazir Bhutto, and conveys special condolences to the families of Benazir Bhutto and the other victims of this terrorist attack;

(2) condemns, in the strongest possible terms, the murder of Benazir Bhutto on December 27, 2007, and the slaughter of at least 165 other Pakistani citizens in this attack and the prior attempt on Benazir Bhutto's life in Karachi on October 18, 2007;

(3) calls upon the Government of Pakistan to do everything in its power to bring the perpetrators of these crimes to justice, and to permit investigators to follow their inquiries in whatever direction they may lead;

(4) calls upon the Government of Pakistan to support and facilitate an independent inquiry into the assassination of Benazir Bhutto;

(5) strongly urges the Government of Pakistan to ensure that free and fair elections are held on February 18, 2008, as scheduled, and that independent election monitors are allowed to monitor the elections;

(6) calls upon the Election Commission of Pakistan to remove all of the restrictions it

recently placed on election observation activities, which included efforts to restrict observer movement and the conduct of exit polling on Election Day;

(7) urges President Pervez Musharraf of Pakistan to replace the partisan caretaker governments at the federal, provincial, and district levels with neutral administrations acceptable to all major political parties, and to reconstitute the Election Commission as a genuinely nonpartisan body;

(8) calls upon the Government of Pakistan to provide adequate security, including the provision of adequately armored vehicles and properly functioning jamming equipment to help prevent the detonation of explosive devices, to all senior opposition political leaders;

(9) calls upon the Government of Pakistan to release those individuals still being detained without charges and to end the ongoing harassment of judges, opposition party activists, and lawyers;

(10) calls for the restoration of Pakistan's independent judiciary and an end to all restrictions on the media and freedom of speech;

(11) calls upon the President to review all existing United States aid to Pakistan, to ensure that all assistance furthers the common goals shared by the people of Pakistan and the United States, with specific reference to combating violent radicalism and promoting a free and democratic Pakistan; and

(12) if the President's review concludes that the conditions described in paragraph (11) are not met, calls upon the President to suspend (until such time as such conditions can be met) the transfer to Pakistan of weapons systems primarily designed and manufactured for combat against a rival state rather than counterterrorism or counterinsurgency.

Mr. BIDEN. Mr. President, it has been a month—almost to the day—that former Pakistani prime minister Benazir Bhutto was assassinated.

She was murdered barely a mile from the site where her own father, also a prime minister, had been executed by a military strongman nearly two decades earlier.

She was killed by a terrorist attack in the very same park where, over half a century ago, Pakistan's very first prime minister was gunned down under circumstances that to this day remain clouded in mystery.

The death of Ms. Bhutto was not the first time a Pakistani leader met a violent end. But never has the loss been greater—for Pakistan, and for friends of democracy the world over.

Never has the danger posed by such a loss been more serious—for Pakistan, and for the U.S. as well.

For many Members of this body, the loss of Ms. Bhutto comes as a personal shock. Some of us knew Benazir during her tenure in office, others had met her during her years of exile.

Anyone who encountered the prime minister can understand the sadness experienced by Pakistanis of all political outlooks.

The murder of Ms. Bhutto was a human tragedy, but one with potentially dire political and national security repercussions. In the wake of this shocking act of terrorism, Pakistani democracy remains seriously threatened.

This is not merely a matter of concern to Pakistan, but to the U.S. as well. Until the political crisis in Pakistan is resolved, no government in Islamabad will have the focus, the will, or the military and intelligence resources necessary to combat the threat of al-Qaeda terrorism and Taliban insurgency effectively.

The resolution I offer expresses condolences on the murder of Ms. Bhutto and condemns the cowardly terrorists who cut short the life of a brave and brilliant woman.

It calls for a genuinely independent inquiry, to clear up the mysteries surrounding this crime—an attack not only on one leader, but on Pakistani democracy itself.

It calls upon the government of Pakistan to return to the democratic path by insuring free and fair elections without further delays; by releasing all political detainees; by revoking restrictions on the press and free speech; and by restoring a genuinely independent judiciary.

It also calls on the President of the review all U.S. aid to Pakistan—as he promised to do immediately after Pakistan's current leader suspended the constitution and declared a State of Emergency in November.

The White House review found—to nobody's surprise—that no significant change in policy was required. The resolution I offer calls for a more targeted and more open-eyed approach.

It calls on the President to ensure that all assistance furthers the common goals shared by the people of Pakistan and the U.S., with specific reference to combating violent radicalism and promoting a free and democratic Pakistan; and

It calls on the President, if he cannot make such a declaration, to suspend the transfer of weapons systems primarily designed and manufactured for combat against a rival state rather than counterterrorism or counterinsurgency.

What does this mean?

In simple language, it calls upon President Bush to match his words with deeds. For the good of the Pakistani people, and for the national security interests of the United States.

The President has often said that a democratic Pakistan will be our best partner in the battle against radical theocrats and bloodthirsty terrorists.

I wholeheartedly agree—and urge the President to demonstrate that his words are something more than empty rhetoric.

Specifically, I urge the President to let the Pakistani military establishment know that the \$10 billion we have provided in assistance over the past 6 years—the vast bulk of it security assistance—is not a blank check.

The American people and the Pakistani people, have a right to insist that their money is being well spent.

At a time when Pakistani soldiers and paramilitary troop are sent to fight the Taliban without bulletproof

vests, without sufficient ammunition, sometimes marching through the snow in sandals rather than combat boots.

At such a time, does it make sense to spend \$500 million on high-tech, highcost, nuclear-capable fighter aircraft?

Does it make sense to spend hundreds of millions on P-3 naval surveillance aircraft specifically designed to hunt submarines?

So far as I know, al-Qaeda has not yet developed a submarine navy.

The White House claims that weapons systems like these are indeed counterterrorism tools, but such a claim is an insult to common sense.

Yes, it is possible to drop a bomb on a terrorist from a supersonic jet—and our pilots sometimes do so.

Yes, it is possible to use P-3s to track fishing boats rather than submarines—and our pilots may do that too. But let us get real here.

The primary use of these weapons has nothing to do with counterterrorism—using them for this purpose is like swatting flies with a sledgehammer.

Moreover, this resolution doesn't even mandate that such weapons transfers be terminated. It merely urges that they be suspended: temporarily put on hold, until the current political crisis has passed.

Why is this necessary? For starters, because the administration has consistently failed to apply a common-sense approach to its Pakistan policy—and shows no sign of starting to do so now. I'll give just one example, but I could select from dozens.

A few days after the assassination of Benazir Bhutto, just as Pakistani President Musharraf was deliberating over whether or not to postpone elections in which Bhutto's party was nearly certain to prevail, the Pentagon awarded a contract for fighter jets worth \$498 million.

Despite a direct Congressional inquiry several weeks earlier, no member of the Foreign Relations Committee—or any other committee, so far as I know—was alerted to this sale.

The administration claims this was merely a coincidence, that the deal had been in the works for a long time, that no policy-maker had any say in the timing of the announcement.

Perhaps that is true. If so, all the more reason for Congress to lay down a marker.

I first suggested putting noncounterterrorism security aid on the table on November 4—the morning after President Musharraf effectively declared a coup d'etat against his own government.

I did so moments after speaking by phone with Benazir Bhutto, who had just returned to Pakistan from 8 years in exile, and who had narrowly escaped a bomb blast on her convoy that left 140 of her supporters dead.

I urged President Musharraf to step back from the brink of disaster, to revoke an order that could destroy his country's democracy.

I urged President Bush to use U.S. military aid as a carefully calibrated lever, in order to make sure our arms and our money helped make Pakistan more free, and the U.S. more safe.

Later that week, I unveiled a comprehensive plan for long-term engagement with Pakistan—or moving our strategy from a “Musharraf policy” to a “Pakistan policy.” In broad strokes, the basic elements of this plan are:

Triple non-security aid, to \$1.5 billion annually. For at least a decade. This aid would be unconditional: it is our pledge to the Pakistani people.

Instead of funding military hardware, it would build schools, clinics, and roads.

Condition security aid on performance. We should base our security aid on clear results.

We are now spending well over \$1 billion annually, and it is not clear we are getting our money's worth.

We should be willing to spend more if we get better returns—and less if we don't.

Help Pakistan enjoy a “democracy dividend.” The first year of genuine democratic rule should bring an additional \$1 billion, above the \$1.5 billion non-security aid baseline, with future non-security aid calibrated, again, above the guaranteed baseline, to Pakistan's institutionalization of democratic and good-governance norms.

We have got to help moderate, secular political leaders show the Pakistani people that they can deliver the goods.

Engage the Pakistani people, not just their rulers. We need a broad-based engagement, not just government to government.

This will involve everything from improved public diplomacy to reviewing visa procedures and textile quotas to reversing this administration's shameful torture policies and shutting the prison at Gitmo.

Today is not the day to delve into the specifics of long-term strategy; I will come to the floor at a later date and sketch out this comprehensive plan in greater detail.

Today is a time for all of us to come together in support of a resolution which, I would hope, expresses the sentiments of every Member here.

All of us, surely, send our condolences on the death of Benazir Bhutto, and condemn her bloodthirsty assassins.

All of us, surely, want to see her murderers—and those who arranged her murder—brought to justice.

All of us, surely, want to see Pakistan set firmly back on the democratic path.

All of us, surely, want to make certain that the billions of dollars we send to Pakistan in aid genuinely serve the purposes for which it is intended—that it bolsters a stable, moderate, democratic state, and that it supports the battle against the violent terrorist groups who have declared war on the U.S. and Pakistan alike.

SENATE CONCURRENT RESOLUTION 66—COMMEMORATING THE 175TH ANNIVERSARY OF THE COMMENCEMENT OF THE SPECIAL RELATIONSHIP BETWEEN THE UNITED STATES AND THE KINGDOM OF THAILAND

Mr. WEBB (for himself, Mr. BIDEN, Mr. LUGAR, Mr. WARNER, Mr. DODD, Mr. HAGEL, Mrs. BOXER, and Ms. MURKOWSKI) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 66

Whereas 2008 marks the 175th anniversary of the signing of the Treaty of Amity and Commerce between the United States and the Kingdom of Thailand in 1833, during President Andrew Jackson's administration and the reign of King Rama III, and the commencement of the relationship between the 2 countries;

Whereas Thailand was the first treaty ally of the United States in the Asia-Pacific region and remains a steadfast friend with shared values of freedom, democracy, and liberty;

Whereas, in December 2003, the United States designated Thailand as a major ally outside the North Atlantic Treaty Organization, which improved the security of both countries, particularly by facilitating joint counterterrorism efforts;

Whereas, for more than a quarter century, Thailand has been the host country of Cobra Gold, the United States Pacific Command's annual multinational military training exercise, designed to ensure regional peace and promote regional security cooperation;

Whereas, in the wake of the tragic 2004 tsunami, the United States and Thailand launched joint relief operations from Utapao, Thailand, strengthening the overall capacity of the forces involved in providing relief and setting the model for effective humanitarian operations throughout the entire region affected by the deadly tsunami;

Whereas Thailand is a key partner of the United States in Southeast Asia and has supported closer relations between the United States and the Association of Southeast Asian Nations;

Whereas, on June 22, 2006, Congress agreed to House Concurrent Resolution 409, 109th Congress, commemorating the 60th anniversary of the ascension to the throne of His Majesty King Bhumibol Adulyadej of Thailand;

Whereas, on December 5, 2007, the people of Thailand celebrated the 80th birthday of His Majesty King Bhumibol Adulyadej, the world's longest-serving monarch, who is loved and respected for his lifelong dedication to the social and economic development of the people of Thailand;

Whereas, on December 23, 2007, the Royal Thai Government held nationwide parliamentary elections that are paving the way for a successful return of democracy to Thailand;

Whereas approximately 500,000 people of Thai descent live in the United States, joining in the pursuit of the American Dream;

Whereas Thailand is the 20th largest trading partner of the United States, with bilateral trade totaling approximately \$30,600,000,000 per year; and

Whereas the bonds of friendship and mutual respect between the United States and Thailand are strong: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) commemorates the 175th anniversary of relations between the United States and the Kingdom of Thailand;

(2) offers sincere congratulations to the Kingdom of Thailand and the people of Thailand for the democratic, free, and fair elections held on December 23, 2007;

(3) commemorates the 80th birthday of His Majesty King Bhumibol Adulyadej of Thailand and offers sincere congratulations and best wishes for the continued prosperity of the Kingdom of Thailand; and

(4) looks forward to continued, enduring ties of friendship between the peoples of Thailand and the United States.

Mr. WEBB. Madam President, today I wish to introduce a resolution to commemorate the 175th anniversary of diplomatic relations between the United States and Thailand and the 80th birthday anniversary of His Majesty King Bhumibol Adulyadej of Thailand, and also to express our recognition for the success of the recent parliamentary election in that country.

I am very pleased to be joined by Senator BIDEN and Senator LUGAR, the chairman and ranking member of the Senate Foreign Relations Committee, together with Senators WARNER, DODD, HAGEL, BOXER, and MURKOWSKI as co-sponsors of this resolution.

Next month will mark 175 years of a special friendship between the United States and Thailand, which began with the signing of the Treaty of Amity and Commerce in 1833 during the administration of President Andrew Jackson, making Thailand our first treaty ally in Asia.

Throughout the years, Thailand has often been a close friend and strategic partner of the United States and has proven to be a dependable key ally in Southeast Asia, helpful to the United States' interests in that region.

Sharing our values of freedom and liberty, Thailand has partnered with the United States in fighting numerous military engagements throughout our history, including its current support in the global war on terror.

In 2003, President Bush declared Thailand a major non-NATO ally, a designation which represents a close and extensive relationship between our two countries.

The United States has enjoyed dynamic, vast, and varied cooperation and partnership with Thailand, which have not only strengthened our bilateral relations, but in many ways have also benefitted the Asian region as a whole.

For more than a quarter century, Thailand has been the host country of Cobra Gold—the United States annual multinational military training exercise—to promote regional stability and security cooperation. As another case in point, the United States and Thailand's joint relief operations in the wake of the tragic 2004 tsunami promoted the overall capacity of the international humanitarian forces in providing relief, setting a model for effective humanitarian operations in the region.

Madam President, I have visited Thailand many times over the past 25 years and have many friends in that country. I had the privilege of visiting