

The PRESIDING OFFICER (Mr. BROWN of Ohio). The Republican leader is recognized.

Mr. MCCONNELL. Mr. President, I congratulate our new Senator from Kansas for his inspiring first speech to his colleagues and suggest that it seems we have a new Senator from Kansas in the tradition of Bob Dole and Sam Brownback and PAT ROBERTS, and I congratulate our new colleague on a fine and inspirational first speech.

Mr. MORAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

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

FISCAL CRISIS

Mr. SESSIONS. Mr. President, we had two important votes yesterday on what we are going to do about the surging debt this Nation is incurring and the dangers that debt poses to the future health of our economy, the prosperity of our people, and the employment of our people.

We had a debt crisis, a financial crisis in 2007, that we still have not recovered from. It damaged us. It damaged American individuals. There are people unemployed in large numbers because of that. We have not yet recovered from it. We have some growth, but we have not yet come out of it. We have to deal with it in a serious way.

So the proposal was, as passed by the House, to reduce the spending for the rest of the 7 months in this fiscal year ending September 30 by \$61 billion. Our colleagues in the Senate basically proposed to do nothing, a \$4.6 billion reduction in spending over the rest of this fiscal year. That is an unacceptable number. Perhaps we can disagree over where cuts ought to occur, but it is critically important at this time in history, as I will discuss, that we take real action that sends a message and actually saves money, not Washington speak about saving money, but real savings in money.

We can do that. Every city, county, and State is doing that all over the country, and far bigger reductions in spending than we are discussing here. So the House proposal was to reduce discretionary spending \$61 billion, which is about a 6-percent reduction in the planned spending level. That is not going to destroy our country. It is still well above the levels we were spending in 2008. But that \$61 billion, when calculated over 10 years because it reduces the baseline of our government spending, would calculate a net savings of \$862 billion, counting interest, because it is that \$61 billion every year plus the interest. We pay interest on the debt we are running up.

We started out projecting a \$1.3 trillion deficit this year, the largest in the

history of the Republic. But now the scores have gone up, and we are looking at over 1.6. We spend \$3.8 trillion, but we are bringing in only \$2.2 trillion. This is why 40 percent of what we are spending this year is borrowed.

We have an opportunity now; this CR is it. We need to reduce spending now. People say, well, we can wait. We do not want to reduce spending for some of our favorite programs. This is damaging. We hear the old speeches that sound like they were given 20 years ago about any proposal to cut any spending level is seen as some total disaster, suggesting that the Republic will cease to exist. Of course, Americans know that is not so. They are not buying that. What world are we in?

The President submitted a budget that basically does nothing but continue the increases in spending. We just had the State Department in the Budget Committee. I am ranking Republican on the Budget Committee. They are asking for a 10.5-percent increase in the State Department's spending. The Department of Education was in last week. They want 11 percent. The Department of the Interior was in. The President proposes a 9.5-percent increase in their spending.

Increases in 2012, that is their proposal. What world are they in? What about Transportation? Do you know how much they proposed increasing Transportation? Sixty-two percent. What world are we operating in? People say: You are just exaggerating. It is business as usual. We do not have to make any changes. We need to make investments, SESSIONS. This country needs to have more investments. The State Department had a 33-percent increase in 2 years. The Education Department had a 30-percent increase. I mean, when does it stop?

If we reduce some of the increases that have been obtained, is that a real cut or is it just moving back to a more sane level? That is what it does. But when we do not have money, we have to make tough decisions.

So, again, the question is, Are we just raising this politically? Are we just trying to make a political point or is there really something that is happening in America that is dangerous and requires us to take this step whether or not we want to take it? Are we required to? Is it real? Do we have a crisis that is dangerous for us?

Mr. Erskine Bowles and Mr. Alan Simpson, Senator Simpson—Mr. Bowles was President Clinton's Chief of Staff—were appointed by President Obama to cochair the debt commission that did their report. This is what they said the day before yesterday, both of them. This was their signed joint statement to the Budget Committee the day before yesterday:

We believe that if we do not take decisive action, our Nation faces the most predictable economic crisis in its history.

Are these extremists? They spent months studying the crisis the Nation is in and what it takes to get us out of

it. They proposed some substantial changes in what we are doing. Just yesterday they said: We are facing a crisis, the most predictable the Nation has ever faced in its history.

In other words, we can see it coming. People say: Oh, it will not happen to us. Well, they should probably pick up the book, "This Time Is Different," by Professor Rogoff at Harvard and Reinhart at Maryland, one of our other great universities. And their book proposes and shows how governments, sovereigns, get into financial trouble and how quickly bad things can happen. The title of it should tell you something. The title is, "This Time Is Different."

The title suggests that all of these great financiers in these countries that ran up too much debt never thought it was going to happen to them, and when people raised questions, they said: Do not worry, this time is different.

Well, is this an extreme book? Is this a dangerous book? They say when your debt, based on history and worldwide studies, reaches 90 percent of your total economy, your total debt equals 90 percent of your GDP, your economy, on average, loses 1 percent growth and is at risk of a catastrophic adjustment, some sort of crisis.

Well, what percent of GDP are we now? We have gone over 95 percent. The experts tell us by September 30, when this fiscal year ends, we will be at 100 percent of GDP. So is this some sort of fearmongering talk or are we just dealing with reality? Are we really facing a crisis we can see plainly in front of us? I suggest it is.

Mr. Geithner, President Obama's Secretary of the Treasury—unlike his Budget Director who also testified before the Budget Committee, Mr. Geithner was more frank when asked: Do you agree with the Rogoff study? Is that a sound study? "Yes, I believe it is."

Then he said this, frankly: "I think it understates the risks." Understates the risk. And when asked about that, he said, basically, there can be systemic, immediate shocks that occur that are unpredictable just like in 2007 when all of a sudden we went from a boom to a bust, and as things happened in Greece, Ireland, and Iceland these things can happen in this modern world with electronic financial transfers very quickly.

I believe we can prevent this. I believe we can prevent it. But we have to take action or we are heading in the wrong direction. Did you notice the news yesterday? Bill Gross, who runs the world's biggest bond fund at Pacific Investment Management, announced they had totally eliminated U.S. Government-related debt from their flagship fund, as the United States Government projected record deficits.

So that is a big development, frankly. I mean, he manages more money than anybody in the world—I guess in the history of the world. He has eliminated government debt from the Total

Return Fund, and that was just announced.

So is that something we should be concerned about? I think it is. Because who is going to buy our debt? Who will buy our Treasury bonds, now 10-year bonds, at 3.5 percent or so interest? People who get worried about their debt sell their bonds. Who is going to then buy them? Where are we going to get people to buy our bonds without paying higher and higher interest rates?

Well, is our crisis coming upon us? Let me share with you the testimony that Mr. Simpson and Mr. Bowles gave to the Budget Committee just 2 days ago.

This is what Mr. Bowles said, Co-chairman appointed by President Obama. He is very worried.

This problem is going to happen. It is a problem we're going to have to face up to in maybe 2 years, maybe a little less, maybe a little more.

He is talking about a crisis. He said it is the most predictable crisis the Nation has ever faced. He is pleading with us to get off the unsustainable path we are on.

What about Alan Simpson, the distinguished Senator from Wyoming who is so frank and articulate. He is also a delight to hear. He said:

I think it will come before 2 years . . . I'm just saying at some point, I think within a year, at the end of the year, if they [the people who hold our debt] just thought you're playing with fluff—5, 6, 7 percent of this hole—they're going to say, "I want some money for my paper." And if there is anything money guys love, it's money. And money guys, when they start losing money, panic. And let me tell you, they will. It won't matter what the government does, they'll say, "I want my money, I've got a better place for it . . ." Just saying for me, it won't be a year.

Mr. President, we have a time agreement?

The PRESIDING OFFICER. The Senator's time expired some time ago. The time is limited to 10 minutes.

Mr. SESSIONS. I thank the Chair. I ask unanimous consent for 2 additional minutes.

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

Mr. SESSIONS. This is from the Washington Post, late January:

In an analysis of the U.S. debt last week, S&P analysts said the unthinkable could occur unless U.S. officials take action.

They go on to say:

U.S. officials must act quickly to control government deficits or face slower growth and even more difficult choices in the future, the International Monetary Fund said Thursday in a report criticizing the tepid U.S. response to its rising debt.

Admiral Mullen, Chairman of Joint Chiefs:

I believe that our debt is the greatest threat to our national security.

Secretary Hillary Clinton, Secretary of State:

Secretary of State Hillary Clinton waded into the nation's fiscal debate Wednesday, calling the expected \$1.3 trillion U.S. deficit "a message of weakness internationally."

Clinton says the deficit is a national security threat. It was \$1.3 trillion when she said that in September. The projected deficit now is \$1.6 trillion-plus. Secretary Geithner said the same.

We have had a debate. We had 10 Democrats defect from the Democratic bill that did nothing, saying we needed to go further. We had two Republicans defect. One Independent defected, probably thought it was cutting too much. But the majority of Members seemed to be saying we need to reduce more.

I suggest that our leaders get together. If there is a disagreement about where the reductions ought to occur, so be it. Let's work that out. But we need to reduce spending significantly. The House number is a minimal amount. I believe it will send a message to the Bill Grosses of the world who move billions of dollars around that this country is willing to take action, even tough action, to get off this unsustainable path.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

(The remarks of Mr. SANDERS pertaining to the introduction of S. 552 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SANDERS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mrs. HAGAN). The Senator from Alaska.

Ms. MURKOWSKI. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ENERGY POLICY

Ms. MURKOWSKI. Madam President, last week I spoke on five of the steps we need to take to increase domestic oil production. Today I wish to take a few moments to speak more broadly about our Nation's energy policy as a whole, what the proper goals for such a policy should be, and the false choice between increased domestic production and reduced oil consumption.

Energy policy has repeatedly been brought up as an area where this Congress and this President can find common ground. Knowing something actually needs to be done, however, is no guarantee it will be done. The truth is most of us know we can improve in the area of energy. With oil prices at above \$100 a barrel and the price at the pump heading toward \$4 a gallon, we need to develop a coherent national energy policy to find that common ground, and that need has taken on even greater urgency.

So what makes for good energy policy and how can we ensure that agreement is finally reached on meaningful energy legislation? I think we should have essentially five goals, and those

five goals are: an energy that is abundant, affordable, clean, diverse, and domestic. I realize these words, especially in combination with one another, don't lend themselves to a clever acronym or a catchy slogan, so maybe we need to rearrange them and figure out what word we can make. But if we follow these as our guiding principles and make sure our legislative efforts reflect each and every one, I believe genuine progress can be within our reach. So let's start with the concept of affordable energy, because that is certainly the most relevant topic right now.

Times such as these serve as a wakeup call as to how important energy—and particularly affordable domestic energy—is to our Nation. Energy provides the base of everything we do; not just heat and power and light and transportation, but the food we eat, the clothes we wear—everything. Whether for a server farm or for a soybean farm, abundant and affordable energy is the foundation for a robust economy. But, unfortunately, there seem to be those who feel the key to clean energy is to make energy scarce and expensive. We don't need an experiment or an act of Congress to know an economic recession reduces emissions, and a depression, of course, would even do that more so. The current price of oil is a stark reminder that while making energy scarce and expensive may, in fact, reduce our emissions, it is an even more effective way to crush an economic recovery. That is not good for us.

The President has proposed we should raise the taxes on oil companies, but in the middle of tough economic times, the American people are not open to those policies that will increase their energy costs. There is a better path that would do more to bolster our energy security, more to create jobs, more to generate government revenues and, equally, more to reduce our deficit. Instead of punishing one industry to promote another, let's use our tremendous reserves of conventional resources which account for more than 80 percent of our energy supply. Let's use these to fund the next generation of clean technologies. Let's prove up and produce our resources and then put these revenues toward—whether it is tax incentives, whether it is additional research, whether it is studies at our universities, you name it, but let's use these wisely.

Speaking specifically to the regulatory burdens on energy, I think we all recognize the Clean Air Act has made our air cleaner and certainly improved our health. Carbon monoxide, SO_x, NO_x, and a host of other pollutants have largely been removed from smokestack and tailpipe emissions. I think we recognize there is more we can do in terms of the regulation of HFCs and other greenhouse gases which, while they emit much lesser quantities, they certainly have potent greenhouse effects. But the Clean Air