

found and killed Osama bin Laden, Americans gathered at Ground Zero, in New York's Times Square and in front of the White House to celebrate the news. For more than a decade bin Laden had been on the FBI's top ten most wanted list, and the announcement that our military conducted the successful operation in Pakistan filled us with national pride.

After nearly 3,000 Americans died in the September 11 attacks, bin Laden, the plot's mastermind, was named public enemy No. 1. The years following that tragic day, he eluded capture. Justice finally caught up with him, as a result of years of hard work and dedication from the brave men and women in our military and intelligence community. The death of Osama bin Laden allows us to close this chapter of the global war on terror, but it does not mean the end of the threat from al-Qaida or other like-minded organizations. We must remain vigilant, both at home and abroad, in the fight against terrorism.

The fact is, terrorism is not the only major threat to our sovereignty. There is one that lurks much closer to home, born and bred right here in this town. I am speaking about Washington's addiction to spending.

In testimony before Congress, Joint Chiefs of Staff Admiral Mike Mullen said the greatest threat to our sovereignty is not Iran; not al-Qaida; not radical Islam—it is our national debt. Most people don't think of spending in terms of a threat to our sovereignty; and those who do are rarely so blunt. But Admiral Mullen is right. We simply cannot continue to operate at this pace.

This year alone, the Federal Government will spend \$3.7 trillion while only collecting \$2.2 trillion. Does this sound like responsible budgeting to anyone? The average American family does not have this luxury. If you or I tried to run our household this way, the bank would eventually cut us off. It is time we apply that lesson to Washington. It is time we cut off the government.

This is long overdue. Our national debt stands at a jaw-dropping \$14.3 trillion. Foreign holdings account for almost half of these obligations, and much of that is owed to countries that are not always friendly to us. This is the very reason Admiral Mullen sounded the alarm on how big of a security threat our debt has become. Being indebted to countries with ideals, value systems and agendas that are often at odds with ours puts us in a very precarious position.

For example, China owns \$1.2 trillion of our debt. The Chinese Government contends that it won't use this liability for political advantage, but the government also claims there are no human rights violations in that country. Clearly, the Chinese Government's word is not a promise we should bank on.

Along with the Chinese, a portion of the list of foreign creditors reads like a

"who's who" of dictatorial regimes. Iran, Venezuela, Libya make up the rouges gallery of nations that owns some of our debt. These dictatorships, along with other oil exporting nations such as Saudi Arabia—whose role in spreading radical Islam is well documented—come in at No. 4 on the list of foreign creditors. We are currently engaged in an operation with our NATO allies against Qadhafi's regime, yet rely on it in part, no matter how small, to keep our government operational.

This is the problem with our reckless spending. We cannot put ourselves at the mercy of foreign governments. It is irresponsible and dangerous. We must act now to get our spending under control and pay down our debt.

We cannot run a country on a Visa card; nor can we keep kicking the can down the road for future generations to address. Our debt is a national security problem, and this one our brave men and women in uniform cannot save us from. It is up to us to make the tough decisions to get our economic house in order and the time is now to act.

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.

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

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

OIL AND GAS SUBSIDIES

Mr. LEVIN. Mr. President, the subsidies to oil and gas companies in the form of tax breaks cost the Federal Government in the neighborhood of \$4 billion a year. What most Democrats, including this Democrat, propose to do is to end those subsidies and to use the money to reduce our Federal budget deficit. This is not a particularly complicated issue.

If oil and gas companies were struggling, if a large number of jobs were at risk, if ending these subsidies threatened to increase the price families have to pay for gasoline or fuel oil or if ending them would create a drag on our fragile economic recovery—if any of those things were true, this might be a closer call. But they are not true. We are subsidizing massively profitable oil companies. Nearly every independent analyst—and even some from the oil industry itself—tells us this proposal will not alter the economic fundamentals that determine gasoline prices. Oil production, and therefore the jobs it creates, will not decline if we pass this bill. Struggling families and small businesses will not pay more because we end these subsidies. And by ending them, we can help close a budget deficit we all agree is a significant problem.

The arguments against this measure are misguided. Republicans have claimed it would increase gas prices. Independent economists disagree. For

instance, the nonpartisan Congressional Research Service reported last week that:

Prices are well in excess of costs and a small increase in taxes would therefore be less likely to reduce oil output and hence increase petroleum product gasoline prices.

Even the chief tax expert of the American Petroleum Institute said last week that the proposal:

... would not affect the global economics underpinning oil supply and demand, which explain today's gasoline prices.

That is an important point to keep in mind. The price of oil depends on a number of factors, one of which is supply and demand for this internationally traded commodity. Another factor, one which I and several other Senators believe bears further examination, is the role of speculation in that market. But the money we are talking about saving is relatively small in the context of a massive global marketplace for oil.

It is also small relative to the profits oil companies have reaped. The five companies that would be affected by the proposal we support made a combined \$76 billion in profit in 2010. That is not revenue; that is not sales; that is profit—\$76 billion. From 2001 to 2010, their combined profit approached \$1 trillion. With the price of oil in the neighborhood of \$100 a barrel, these record profits are likely to continue. These companies do not need taxpayer assistance.

At the same time, the money we spend helping them is increasing the budget deficit—a deficit our Republican friends say justifies making dramatic reductions in health care for our seniors, support for our college students, Head Start for our youngest students, and other Draconian cuts. Yet tax breaks for companies making billions of dollars a year in profits is something they say we can afford. I don't buy it.

More importantly, the American people don't buy it. The American people know these tax breaks we can't afford for companies that can more than afford to lose them are wrong. They know if we are going to get serious about our debt problem, we need to eliminate tax expenditures that contribute to our deficit. They know if we can't tackle such an obvious example of wasteful spending as this, further reform is unlikely. The American people recognize the fundamental unfairness of tax breaks for oil companies making billions in profits at the same time working families are told they will have to do with less.

Last week, with the CEOs of major oil companies testifying before the Finance Committee, they said they want to be treated like everybody else. I say, fine, let's do that. Let's tell the massively profitable oil companies not to expect tax subsidies from Uncle Sam. Let's expect those companies to give a little bit as we address the budget deficit, just as middle-class American

families are going to have to give a little bit as we cut back on important programs for them.

Our Republican colleagues say our deficits are unsustainable, and I agree. They say the deficit problem is urgent, and I agree. They say we must act, and I agree. And we can act. We can end these oil company subsidies. Now is the time for all of us to act to end billions of dollars in handouts to massively profitable oil companies and use that money to help put our fiscal house in order.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

DEBT LIMIT

Mr. COATS. Mr. President, I appreciate the remarks of my colleague, Senator LEVIN. I just caught the tail end, but it is a good segue into what I wish to speak about today.

Today is May 16, an important day for me, because it happens to be my birthday, although I am not anxious to have any more birthdays and it is no big deal. This day is more important because this is the day that Treasury Secretary Geithner said we have reached the debt limit ceiling.

I read from this missive that came out a little bit ago:

Treasury Secretary Timothy Geithner announced on Monday morning that the Federal Government had met its statutory borrowing limit of \$14.294 trillion cap.

This is the day we have been talking about for a long time. In fact, this day had been advertised as the likely date on which the United States would hit the debt limit.

Here we are with an empty floor on a Monday and people are saying, Whoa, shouldn't you guys have been in every night last week and all weekend to avert hitting this limit, because doesn't this mean we have to default on our debt? Well, as the article goes on to report:

Treasury will now begin a series of "extraordinary" measures designed to stave off a potential government default.

Treasury has been able to move some money around so that now we won't reach that magic date until August 2.

Is this good news or bad news? Well, it is maybe good from the standpoint that we may have avoided a catastrophic situation today, but it simply postpones the date of the inevitable. What I fear is that it simply gives us more time to avoid getting engaged in dealing with what is arguably one of the largest crises in American history, particularly in American financial history. So when we look at what has been transpiring over the last several years, as all of us have watched with alarm, our debt limit continues to climb at an unprecedented rate and there has been not nearly enough debate and engagement on how we should address this. I know the last several months have been filled with proposals and plans and dire predictions. The last year—

2010, an election year—certainly aroused the interests of the American people, when I think for the first time the reality became clear on what the increase in the debt and the deficits is doing to our country's financial health.

I have this chart here on the left which shows total U.S. debt and statutory debt limit from the years 1941 to 2011. In December 1941, we were engaged in World War II. We see a small little spike here in terms of the debt limit. That is understandable, because we were in a crisis situation and we had to put all of our efforts and expenditures into production to address the war needs. But as we can see, from 1941 all the way through to 1981, we moved along at a fairly low level of increase in debt and finally hit the \$1 trillion mark in 1981. So for more than 200 years in the history of this country, we ran this country without going more than \$1 trillion in debt. That is enough as it is. But I remember at the time, in 1981, people were saying, How could this be possible? How could we possibly reach this limit, \$1 trillion? We can hardly comprehend it.

The sad news is that since 1981 we have been on a steady incline of debt, which has accelerated dramatically in the last few years. Today—May 16, 2011—we have hit a total of nearly \$14.3 trillion in debt. This line continues off this chart and goes much higher as we project forward the spending, much of which is occurring because of mandatory spending put in place for programs that were locked in and it is obligatory spending on the part of the Federal Government. Of course, as we go forward, the interest rate on our debt increases and the amount we pay each year increases. So we find ourselves in a spiral, a downward spiral of debt that seems to have no end.

This is no surprise to most people because there has been focus on this all across America over the last couple years. Throughout this period of time, people have had to stretch their own dollars at home in order to make ends meet. Businesses have had to make significant changes in the way they do business in order to make ends meet. State governments have found they are deeply in debt and have had to take some dramatic measures. But it is only now that the Federal Government is starting to look seriously at what we need to do.

All throughout the year 2010, with no budget in place, Congress continued to spend. But I am not here to place blame on any one individual or any one group. I am simply here to point out the fact that we have a serious crisis at hand and it deserves serious debate and a serious solution or we are going to find our country in very difficult straits.

From this point forward, as shown on the chart, Congress has been run by Democrats and Republicans. The Presidency has been held by Democrats and Republicans. So we can go back and say: Well, who is responsible for this

and who is responsible for that and what about here and what about there? That is a wasted effort at this particular point in time. This is the situation we face, and this is the situation with which we must address.

I regret that the Senate, to date—other than activities such as Senator LEVIN was engaged in, I am engaged in; that is, coming to the floor at a time when the issue is not before us in terms of seeking a resolution but simply stating the facts and urging us to move forward—I regret that this year we have spent a total of only 4 hours and 20 minutes of actual debate on the spending. Instead, we have been tied up for weeks on not trivial but far less serious measures: confirming some judges to district and appellate court positions, dealing with the Federal Aviation Administration reauthorization bill, which took several weeks. Now we have been stuck on the small business authorization bill for several weeks, injecting here and there in some debate and some talk and discussion about the deficit but no real focus on that.

If we do not set aside the less important and begin to focus on what we need to do, we are going to quickly find ourselves into the month of July careening toward an August 2 deadline, during which time the uncertainty that exists in the investment community and in the business community and in households, in terms of spending and what the future might bring—all that continues.

What the world is waiting for, and what the world is watching and hoping and praying for, is that the Congress and the executive branch will work together to seek a solution to this problem that will bring reassurance to the investment world and bring confidence to our population that we have gotten serious and we are going to do something about this.

None of us believe this is going to be easy. None of us believe this is going to be painless. But we simply cannot postpone the debate that needs to take place, not only in this Chamber and in the House of Representatives but between the House and the Senate and the White House.

Some conversations have already started in that regard but also across the Nation. This is a debate that has to come before the American people because they are going to be the ones who are going to bear the brunt of whatever cuts and whatever solutions need to take place in order to put us on the right fiscal track.

If I have learned anything in discussions outside this Chamber with people who have studied and analyzed and looked at this issue, it is that several things must take place, and they must take place immediately. A host of people who have spent their lives understanding the dynamics of the financial system—understanding the consequences of debt as a percentage of gross national product, understanding the consequences of how a nation rises