



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 112th CONGRESS, FIRST SESSION

Vol. 157

WASHINGTON, MONDAY, JANUARY 31, 2011

No. 13

House of Representatives

The House was not in session today. Its next meeting will be held on Tuesday, February 8, 2011, at 2 p.m.

Senate

MONDAY, JANUARY 31, 2011

The Senate met at 2 p.m. and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

O God, our Father, in whom we live and move and have our being, use our Senators to bring help to others, credit to themselves, and honor to You. Give them the wisdom to be cheerful when things seem to go wrong, to persevere when things seem difficult, and to stay serene when things seem to irritate. Lord, guide them to be at peace with themselves, with others, and with You. May their highest motive be to earn Your divine approval. Give them a strong faith to believe that, though Your will may be hindered and obstructed by human folly and failure, it must in the end be triumphant.

We pray in Your great Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable HARRY REID led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. INOUE).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 31, 2011.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. In my capacity as Senator from the State of Nevada, I suggest the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent the order for the quorum call be rescinded.

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

SCHEDULE

Mr. REID. Mr. President, following leader remarks, the Senate will turn to a period of morning business with Senators permitted to speak for up to 10 minutes each. I am confident we will be able to move to the Federal Aviation Administration authorization bill very quickly. There will be no rollcall votes today.

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

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

ORDER OF PROCEDURE

Mr. KYL. Mr. President, I ask unanimous consent to speak for such time as I may consume.

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

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period of morning business with Senators permitted to speak therein for up to 10 minutes each.

Mr. KYL. Mr. President, subject to the unanimous-consent request, I asked a moment ago to exceed the 10-minute limit.

The PRESIDING OFFICER. The Senator is correct.

NEW START TREATY

Mr. KYL. Mr. President, as some of us predicted, problems are already arising from the Senate's ratification of the New START treaty last December.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



Printed on recycled paper.

S349

The Russians just ratified it, and their interpretation of its meaning and obligation is different from ours. That is going to cause problems. I will also discuss this afternoon the President's fiscal year 2012 budget in the areas of nuclear modernization and missile defense, both of which were closely tied to the Senate's support of the New START treaty.

First, what the Russians are saying about the treaty. The Russian State Duma and the Federation Council, which is their counterpart to the Senate, last week passed its Federal law on the New START treaty, and that is the Russian equivalent to our resolution of ratification. That document demonstrates there is a significant divergence of views between the two countries on several key provisions and core principles of the New START treaty.

For example, Russian officials continue to assert, despite statements from the Obama administration and despite the Senate's legally binding positions to the contrary, that various treaty provisions, including in the preamble, constrain U.S. military options regarding missile defense and conventional prompt global strike. Far from supporting the touted "reset" in its relations, this lack of meeting of the minds is a ticking time bomb for disruption of our relations.

First, regarding missile defense. The Senate unanimously adopted an amendment to the resolution of ratification providing that the New Start preamble does not impose a legal obligation on the parties. The Senate's principal concern and rationale for this provision was the language in the preamble linking offensive forces to missile defenses, a clear attempt by the Russians to foreclose future qualitative and quantitative improvements to U.S. missile defense capabilities. Contrary to the U.S. position, Russian officials have recently declared that the preamble is an integral part of the treaty and is thus binding on the parties. Russian Foreign Minister Sergey Lavrov has stated:

There are a few problems, one of the main ones being the assertion contained in this [Senate floor] statement that the correlation between strategic offensive and defensive weapons, reflected in the treaty, is not legally binding for the U.S. and Russia because it is stipulated in the preamble. This thesis cannot be defended by lawyers.

Contradicting President Obama's December 18 letter on missile defense to Senators REID and MCCONNELL and the Senate's resolution of ratification, Foreign Minister Lavrov further contends:

The content of the treaty unequivocally points to the correlation between strategic offensive weapons and missile defense, it is set out in the preamble, whereas the text of the treaty contains an article that allows either party to withdraw in the event of an emergency. We are convinced that the implementation of the full-scale global missile defense by the U.S. will be precisely such an emergency.

These statements stand in apparent contradiction to the resolution of ratification adopted by the Senate.

On the point concerning the legality of the preamble, which includes the unfortunate linkage between offensive arms and missile defense, the Russian Federal law on the New START ratification highlights the importance that Russia attaches to the preamble and this linkage between missile defense and strategic offensive arms, and it introduces a new issue: The possibility of "understandings" between the parties not revealed to the Senate.

Here is what article 4, paragraph 1 of the Russian law says:

The provisions of the preamble of the New START treaty shall have indisputable significance for the understanding of the Parties intentions upon its signature, including the content of the terms agreed between them and the understandings without which the New START treaty would not have been concluded. In this connection, they must be considered in toto by the parties in the course of implementing the New START treaty.

Because of these "terms" and "understandings," article 4 goes on to state that the Russian Federation shall exercise its right to withdraw from the treaty in the case of extraordinary events, including the "deployment by the United States of America, another state, or a group of states of a missile defense system capable of significantly reducing the effectiveness of the Russian Federation's strategic nuclear forces."

So now the Russian Parliament is clearly on record that the deployment of the U.S. national missile defenses or missile defense deployments in conjunction with our NATO allies could be cause for Russian withdrawal from the treaty. Since Russia opposed the deployment of 10 ground-based interceptors in Poland, it is likely to oppose as well the planned deployment of land-based SM-3 missiles in Romania and Poland capable of intercepting Iranian ICBMs.

This provision of the Russian law is fundamentally incompatible with the U.S. understanding of the treaty and with current U.S. plans to deploy these U.S. defenses in Europe and to deny U.S. national missile defenses as the President affirmed to us in his December 18 letter. The administration should immediately work to resolve this dispute with the Russians. Otherwise, the United States would be willfully perpetrating a future collision course between Russia and the United States.

I am sending a letter to Assistant Secretary of State Rose Gottemoeller which raises this issue and asks for clarification of the assertion that there were understandings between the negotiators not reflected in the public record.

The President will have to decide whether to exchange the instruments of ratification with the Russian Federation with this discrepancy extant—and the others that I will briefly touch on. I am not aware of a bilateral treaty that is entered into force where such a divergence of views existed. Perhaps

there is clarification on these matters in some secret cable or in another part of the classified negotiating record. The administration's stubborn refusal to share these materials with the Senate has denied Senators the answer.

Part of the Corker-Lieberman amendment to the treaty also requires the administration to communicate to Russia at the time of the exchange of instruments of ratification that it is the policy of the United States to continue development and deployment of U.S. missile defense systems, including qualitative and quantitative improvements to such systems. I urge the administration to consult with the Senate to ensure that our intent is accurately conveyed before exchanging this policy statement and the instruments of ratification.

The resolution of ratification also makes clear that missile defense will not be on the table in any future treaty. Understanding No. 1 makes clear that no limits on U.S. missile defenses can be achieved through the New START treaty, including the Bilateral Consultative Commission it creates, without the advice and consent of the Senate which, if I have anything today about it, will not be forthcoming.

There is also declaration No. 1 which states:

Further limitations on the missile defense capabilities of the United States are not in the national security interests of the United States, and the LeMieux amendment, which made it the policy of the United States not to include defensive missile systems in any negotiations with Russia on tactical nuclear weapons.

The administration might have created the impression with Russia that the United States would discuss missile defense, whether in the Tauscher-Rybakov track of secretive side negotiations—the full extent of which the administration is hiding from Congress—or by agreeing to the preamble language, or article V, section III, in contravention of section 1251 of the fiscal year 2010 Defense authorization bill.

With regard to Under Secretary Tauscher's side negotiations, I note that the Russians know more about the U.S. position and these negotiations than the Senate does, which brings to mind again article 4 of the Russian Federal law on ratification which states that the "provisions of the preamble of the New START treaty shall have indisputable significance for the understanding of the Parties' intentions . . . including the content of the terms agreed between them and the understandings without which the New START treaty would not have been concluded."

What understandings are these? Is this referring to something beyond the text of the treaty and the preamble? Unfortunately, the Senate is unaware of such understandings because we have been denied access to the negotiating record.

There is the potential here for a major confrontation between the Senate and the administration if the administration does not immediately

make a full disclosure to the Senate on these matters. The Senate's action in the resolution of ratification should also make clear that it will not accept any further linkage between offensive nuclear reductions. I am pleased to note a recent product of the Arms Control Association, called "Strategic Missile Defense: A Threat to Future Nuclear Arms Reductions," that seems to agree with my point. In its recent analysis, this group correctly observed that the United States will continue to require exempting strategic missile defense from treaties.

Now, while the Arms Control Association seems to believe this is a mistake, I am pleased the Senate sent a message so unmistakable that even the arms control community comprehended it. The administration will have an opportunity to prove whether its statements of support for missile defense, including the President's December 18 letter, were mere rhetoric or actual policy, beginning when it submits the fiscal year 2012 budget request. Initial press reports hint that the Defense Department is anticipating yet another reduction in funding for missile defense programs over the next 5 years, despite funding plans that are already about \$4 billion below what was envisioned by the last administration for fiscal years 2010 through 2013. This is inconceivable given the funding shortfalls increasingly apparent in the President's own plans for improving U.S. missile defenses as well as four phases of the phased adaptive approach to missile defense in Europe. It appears that elements of the administration's phased adaptive approach for missile defense are already falling behind, and the President's budgets for missile defense have almost guaranteed the atrophy and obsolescence of the only national missile defense system we now have.

If these reports are accurate, it would belie the President's commitment to missile defense, which was central to Senate support for the New START treaty, and suggests the Senate was misled during its consideration of the treaty.

With regard to Conventional Prompt Global Strike—remember, this is the concept where U.S. intercontinental range missiles could substitute a conventional warhead for a nuclear warhead for prompt delivery to a place far away on the globe in a time of emergency—Senators' concerns were not limited to missile defense, as I said. We also talked about this Prompt Global Strike issue in connection with the START treaty. Referencing this capability, Foreign Minister Lavrov told the Russian Duma:

The [U.S.] Senate's resolution claims that the treaty does not apply to new kinds of nonnuclear strategic weapons that could be developed in the future. But this is not true.

Then he also stated:

We find unacceptable the unilateral American interpretation of the treaty, according to which future strategic range systems with

non-nuclear warheads not meeting the parameters stated in the treaty shall not be regarded as new types of strategic offensive weapons covered by the treaty.

Likewise, Russian Federal law states in article 2, paragraph 7:

The question of the applicability of the provisions of the New START treaty to any new kind of strategic-range offensive arms should be resolved within the framework of the Bilateral Consultative Commission . . . prior to the deployment of such new kind of strategic-range offensive arms.

Hence, Russia is rejecting the U.S. understanding on strategic range non-nuclear weapons systems contained in the Senate's resolution of ratification, which states:

. . . nothing in the New START treaty prohibits deployments of strategic-range non-nuclear weapon systems.

In other words, conventional Prompt Global Strike.

The President must make this fact plain to both Russia and the Senate when he provides the report on the conventional Prompt Global Strike systems to the Senate prior to entry into force of the treaty. It mocks the very idea of a U.S.-Russian arms control pact if such a disagreement—Russia's rejection of a formally adopted U.S. understanding—is allowed to stand.

Let me mention telemetry. In response to Senators who raised concerns about the inadequacy of the verification and telemetry provisions in New START, the administration essentially said: Not to worry; the treaty permits each side to exchange telemetry on up to five tests per year. As could have been expected when the administration capitulated to Russian demands concerning telemetry, the Russian Federal law now prohibits "providing to the United States of America telemetric information about the launches of new types of intercontinental ballistic missiles and submarine ballistic missiles." That is exactly what treaty opponents predicted. As a result, we will know less about new Russian systems than under the previous START verification regime.

At the very least, Russia's action in its federal law to deny the United States telemetry on this future missile development will place greater burdens on our national technical means to monitor the development of new Russian ballistic missiles. The denial of telemetry from new delivery systems poses a material risk by aiding Russia's potential for breakout from the treaty limits, which is, of course, a central concern of the Senate in conditions Nos. 2 and 4 of the resolution of ratification.

Finally, the Russian Foreign Minister seems to have taken aim at the Senate's condition that negotiations begin within a year to address the disparity in tactical nuclear weapons between Russia and the United States. In noting the imbalance in conventional forces, plans to deploy weapons in space, and U.S. global missile defense plans, Russian Minister Lavrov stated:

It is possible to hold future negotiations only with due account of all these factors and after the fulfillment of the New START.

Clearly, Russia is not interested in beginning such negotiations anytime soon.

The Foreign Minister has proven correct those Senators who cautioned that after this treaty was ratified, the United States would lose whatever leverage it had to address nonstrategic nuclear weapons. Assistant Secretary Gottomoeller appears to take seriously the Senate's instruction in this regard, even referring to it as her "marching orders." I trust she views equally the Senate's "marching orders" that a subsequent treaty not deal with U.S. missile defenses.

I am not aware of an example where the United States has ratified a bilateral treaty in the face of clear evidence that there is no meeting of the minds on key treaty terms. While New START was under Senate consideration, administration officials continually spoke about how critical the treaty was to "reset" relations with Russia and how the completed treaty manifestly improved relations between the two countries. This can be the case, however, only if the parties actually agree on the fundamentals of the treaty's meaning.

Now let me speak to the anticipated 2012 budget for nuclear modernization.

The Senate, in condition 9 of the resolution, linked its support for the New START treaty on a clear commitment to "ensuring the safety, reliability, and performance of its nuclear forces." This commitment requires full funding to ensure a robust Stockpile Stewardship Program, a modernized nuclear weapons production capability, and the development of new nuclear delivery systems to replace the aging nuclear triad of bombers, submarines, and ICBMs.

If in a given year funding fails to meet the 10-year plan or required levels of resources are greater than the 10-year plan, the President is required by condition 9 to submit a report on how the administration will remedy the shortfall, the project requiring funds and the level that is required, the impact of the shortfall on nuclear readiness, and whether it is in the national interest to remain a party to the treaty. We must codify the requirement to provide an annual update to section 1251, requiring the administration to annually provide updated assessment of the levels of funding required to maintain and modernize the stockpile. And the administration has agreed this is necessary.

As it currently stands, the administration's proposed 10-year budget for nuclear weapons activities, as promised in the update to the section 1251 report, takes a critical first step toward nuclear weapon sustainment and modernization. It proposes an \$85 billion budget for weapons activities over 10

years, from 2011 through 2020, and describes the critical near-term requirements of at least \$7 billion in 2011 and \$7.6 billion in 2012.

To be successful, the modernization program must have the complete backing of the President, the Armed Services Committees and the Appropriations Committees, as well as the full House and Senate. These budget requests will allow the laboratories and plants responsible for nuclear weapons to begin a slow recovery from the neglect that has been crippling their ability to address real issues as our current stockpile ages. The administration must, however, continue to review and revise its estimates for the modernization program and follow through on its commitments to obtain this funding from the Congress.

This modernization program must address the past, the present, and the future of our nuclear weapons complex. For example, the Stockpile Surveillance Program evaluates the current condition of our aging stock. This program has been seriously underfunded in recent years, resulting in a decreased confidence in our nuclear weapons. This is not my assessment but, rather, the assessment of some of the premier authorities on nuclear weapons—the Directors of the nuclear weapons laboratories. It is likewise the conclusion of the bipartisan Congressional Commission on the U.S. Strategic Posture.

Likewise, budget requests must allow for the continuation of current life extension programs, including the W-76, which is currently in production, the B-61, which is rapidly nearing its end of life but continues to be required for both strategic and tactical roles, and the W-78, which will require a very extensive and challenging life extension to correct aging issues and incorporate higher standards for safety and security. These three planned programs will likely not be completed until the end of the 2020 decade. As it stands, there does not appear to be capacity in the complex to insert the long-range strike option warhead production in the next decade, which will be needed to replace our current W-80 warheads and air-launched cruise missiles. As we are the only nuclear weapons state without a nuclear weapons production capability, restoring the health of our current weapons is critically important.

Finally, the balanced program must prepare us for the future by improving the quality of our facilities, many of which are Cold War- and even Manhattan Project-era facilities. Design and engineering development of the chemistry and metallurgy replacement nuclear facility and the uranium processing facility should be accelerated to the extent possible, construction estimates should be properly evaluated, and completion of these facilities should be aggressively pursued for their completion by 2020. This is another so-called marching order for the administration. It is difficult to over-

state the importance of these facilities to our future national security.

The opportunity exists to push these programs forward. For example, the recent exchange of letters between the Senate appropriations leaders and the President shows that the commitment must be bipartisan and must include both Congress and the administration. Notably, the Senate Appropriations Committee leaders, Senators INOUE and COCHRAN, and the Energy and Water Development Subcommittee leaders, Senators FEINSTEIN and ALEXANDER, stated on December 16, 2010, that “funding for nuclear modernization and the National Nuclear Security Agency’s proposed budgets should be considered defense spending, as it is critical to national security.” And they state that “this represents a long-term commitment by each of us, as modernization of our nuclear arsenal will require a sustained effort.”

The President responded on December 20, 2010, with a commitment to support the \$85 billion budget, and he also committed to an annual update to the section 1251 report. Here is what he said:

I recognize that nuclear modernization requires investment for the long term, in addition to this one-year budget increase. That is my commitment to Congress.

It must be our commitment to hold the President to his word and to likewise provide our full support for nuclear weapon modernization.

Finally, on nuclear delivery systems and the President’s commitment to missile defense, first, we expect to see significant funding for the next-generation nuclear ballistic missile submarine and follow-on heavy bomber, which the administration now seems to support, although it has not yet confirmed that the United States intends the bomber to be capable of a nuclear standoff mission, as well as a final decision that the follow-on to the air-launched cruise missile will be nuclear capable.

Finally, we expect to see greater clarity with respect to the administration’s intention to maintain the ICBM leg of the triad after the Minuteman III reaches the end of its life.

I expect the administration’s commitment to these delivered platforms to become increasingly evident in the Defense Department’s 2012 budget request as promised in the update to the section 1251 report. Modernization of the delivery platforms must parallel the commitment to the nuclear weapons. To continue to use Ms. Gottemoeller’s formulation, this is another “marching order” from the Senate for the administration.

The President made clear his commitment to missile defense during the course of the Senate’s consideration of the New START treaty, as I mentioned before. In his December 18 letter to Senators REID and MCCONNELL, he wrote:

As long as I am President, and as long as Congress provides the necessary funding, the

United States will continue to develop and deploy effective missile defenses to protect the United States, our deployed forces, and our allies and partners.

The President reiterated what the Senate made clear in the resolution of ratification—that the New START treaty places no limitations on the development and deployment of our missile defense programs—and he stated that he “will take every action available to me to support the deployment of all four phases” of the planned missile defense deployments in Europe. The Secretary of Defense also indicated during a Senate Armed Services Committee hearing on December 17 that the Department was looking at an increase in missile defense funding for fiscal year 2012.

As I said before, however, initial press reports hint that the Department of Defense is anticipating a reduction for missile defense programs over the next 5 years. Any cut to the missile defense budget would be especially shocking in light of President Obama’s commitments to the Senate. Likewise, it would be absolutely indefensible in view of Secretary Gates’s recent comment that North Korea was within 5 years of being able to strike the United States with an intercontinental ballistic missile and that “with North Korea’s continuing development of nuclear weapons . . . North Korea is becoming a direct threat to the United States.”

Indeed, the recent discovery of a clandestine enrichment site in North Korea raises significant concern about our ability to estimate the pace at which that country is developing nuclear and ballistic missile capabilities—and should make us think twice as well about our estimate of Iranian nuclear and ballistic missile capabilities.

Also troubling are recent statements by senior military officials, including the commander of U.S. forces in the Pacific and the Director for Naval Intelligence, suggesting China’s anti-ship ballistic missiles, designed to target U.S. aircraft carriers, are now nearly operational. This new anti-ship ballistic missile, combined with Beijing’s current and growing arsenal of short and medium-range ballistic missiles, threatens to alter the strategic balance in Asia by potentially grounding Pacific-based U.S. air forces and sinking U.S. ships out to a range of 1,000 nautical miles—not to mention the ability to strike U.S. allies and friends in the region.

The Russian Parliament provided its interpretation of the treaty and preamble in its Federal Law on Ratification, and it is clearly at odds with the Senate’s resolution of ratification in several key respects, including missile defense and conventional prompt global strike. To say that their interpretation is not legally binding on the United States is to miss the point, which is, as many of us said during debate over New START, that because

there is no meeting of the minds on these matters, the potential for disputes and increasing tension between the two sides is likely. What was to serve as a vehicle for “reset” may, in fact, serve to promote increasing discord.

In fact, the first indication of this may have occurred last week, when the U.S. and its NATO partners met with Russia to find common ground on missile defense cooperation. In advance of that meeting, the Russian President threatened “either we agree to certain principles with NATO, or we fail to agree, and then in the future we are forced to adopt an entire series of unpleasant decisions concerning the deployment of an offensive nuclear missile group.” If this is the language of reset, I wonder what the tone might have been had we not agreed to New START? As it turns out, Russia appears to have rejected the NATO approach.

Mr. President, we will watch carefully to ensure the administration fulfills its 10-year commitment to nuclear modernization, starting with the fiscal year 2012 budget request, and that nuclear reductions called for under the New START treaty do not outpace the commitment to modernization.

We must make certain, too, the administration modernizes our national missile defense system to stay ahead of increasing threats; provides the necessary direction and funding to ensure full, timely deployment of missile defense assets in Europe to address the growing Iranian threat; and directs the Missile Defense Agency to develop defensive countermeasures to the anti-ship ballistic missile capability of China. Finally, we must resurrect the Reagan vision of defensive missile defense capabilities based in space, which is the only truly effective means for protecting the Nation and its deployed forces.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I ask unanimous consent to speak for up to 15 minutes.

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

FAILURE OF LEADERSHIP

Mr. SESSIONS. Mr. President, first, I thank my colleague, Senator KYL, who is this body’s premier student of the nuclear strategic posture of the United States. I served and have served as chairman of that subcommittee of Armed Services. I share his concern. I am thankful that he is here and is keeping up with these matters year after year. Most of us would rather not talk about them, but they represent the serious responsibilities of a great nation that must be able to defend itself, to be able to live freely and prosperously. So I thank the Senator for his remarks, and I value his friendship and enjoy following his leadership.

Last week, the Congressional Budget Office issued a report that—our Con-

gressional Budget Office’s leadership is selected by the majority in the Congress, the Democratic majority—that report showed our deficit for this year, which will end September 30, will be \$1.5 trillion. That is the largest deficit the Nation has ever had. The last 2 years have been \$1.3 trillion and \$1.4 trillion. This year’s deficit is projected to come in at \$1.5 trillion. We complained—I have—that President Bush spent more money than he should have, but his highest deficit was one-third of that, or \$460 billion. So we are at unprecedented levels of annual deficit and debt. Our gross debt, the total United States debt, internal and external, will equal, by the end of the year, 100 percent of GDP. Annual interest payments—we borrow money; people loan us their money, and we give them Treasury bills and bonds in exchange, and we pay them interest on the debt. The amount of interest we pay will rise to \$750 billion by the end of this decade. That means a 1-year interest payment will cost us nearly as much as 20 years of current highway construction spending. We spend about \$40 billion a year, for example, on Federal highway expenditures. We are talking about interest payments going from \$180 billion or so a couple of years ago to \$750 billion, and our debt will triple in that time—from \$5 trillion to over \$15 trillion.

The total amount of interest we expect to pay between now and the end of the decade is \$5.5 trillion in interest, which is enough money to fund our entire government for 18 months.

The situation is so serious that former Federal Reserve Chairman Alan Greenspan warned very recently that we may face a bond market crisis in the next 2 to 3 years. He said it is a little better than a 50-50 chance that it won’t happen, but not much better. That was his comment.

CBO Director Doug Elmendorf testified last week before the Budget Committee, where I am ranking member, that we were entering “unfamiliar territory for all developed nations over the last several decades.” He is talking about financially, debt.

Analysts for Standard and Poors stated that “absent a credible plan, the rating on the U.S. Federal Government will come under pressure”—in other words, the rating on our debt, which is AAA. If that happens, our interest rate, as I have been suggesting, will go up, because if our ratings go down, people will demand higher interest before loaning us money. The International Monetary Fund urged the United States to take much stronger action. This is on the Washington Post business page of a few days ago:

U.S. Must Reduce Deficit, IMF Warns.

They are not perfect, but they claim to be the conscience of the world and warn profligate nations to get their houses in order before it creates systemic problems for other nations. It says:

European countries have begun a pointed dialog with their residents about what gov-

ernment can and cannot afford. Moves to cut public salaries, trim services, and curb public pensions have touched off strikes and protests, but also puts the deficits of those countries on what seems to be a “securely downward path,” the IMF said. Those are the choices the United States has been hesitant to make.

Two prominent economists, Carmen Reinhart, who testified before our committee, and Dr. Kenneth Rogoff, issued a paper explaining the negative impact of excessive debt on economic growth. He actually wrote a book. They have studied countries in the last 200 years that have had their economies collapse as a result of debt—a lot of South American countries at various times, such as Argentina and others. They caution that there is a point beyond which you do not want to go. That point is when your debt equals 90 percent of your economy, 90 percent of GDP. That is a very respected study—the first time anybody ever studied the economies that have had economic collapse. This is a key factor in that. We are now at 94 percent of GDP, and by the end of the year, the CBO projects we will be at 100 percent. Our debt will equal 100 percent of the entire goods and services produced in this economy.

Our Nation is on a dangerous—as everybody we have had testify before the committee and virtually anybody who has expressed themselves calls it—unsustainable path. The President said we are on an unsustainable path. We need strong leadership from our President. The day before his State of the Union, I wrote an op-ed that was published in the Washington Post. I called on him to present a broad vision for reducing spending. I said, “his proposals cannot be timid” and that this was “a defining moment for his Presidency.”

I have to say that he did not rise to that occasion. Instead of a bold vision, he put forward a meek plan to continue spending at current levels for 5 more years, calling that a freeze. But we have had a surge in spending in the last 2 years. Freezing at that level cannot be acceptable. These are the levels that produced the \$1.5 trillion deficit.

The President’s speech, I must say, was disconnected from reality. Nowhere in that speech did he enter into a dialog with the American people about the severity of the crisis we face, or make any attempt to call on them in a serious way to understand why it is that we can’t continue at this level of spending. He failed to present a credible plan.

This is what the Washington Post said in an editorial yesterday. They weren’t mean spirited about it, but you could tell they were disappointed:

In his State of the Union Address Tuesday night, President Obama failed to present a credible plan for a long-term debt reduction. It’s no secret that we think he made a big mistake. If America can’t get a handle on its finances, everything else is at risk.

But not only has the President failed to lead with ideas, he has set about to thwart, to block others from taking action. This is concerning to me. This