

First, we must improve and reform our education system, from kindergarten through 12th grade, so we produce the skilled workers of tomorrow. Plus we need to train more scientists, engineers, and mathematicians so we do not risk falling behind China, India, and other global competitors.

All three of these executives—all of them—believe we must reform our immigration system to stay competitive. The brightest students from around the globe come to the United States to take advantage of our world-class universities. Unfortunately, our broken immigration system forces most of those students to go back to their home countries, where they compete with American companies. We should be keeping the best here, where they were educated, so they can build companies that employ U.S. workers.

Of course, we must simplify and streamline our broken tax system, lowering rates but eliminating loopholes so everyone pays his or her fair share, including corporations.

This is what three successful CEOs told us we should do to create jobs for American workers. I know these are big issues. They are complicated and politically divisive. We cannot tackle them all at once. But they are not the only solution. These three CEOs we met with last week said there are smaller, more manageable issues we can tackle right now. There are things we can do to help create jobs right now.

Mother Teresa urged us to “be faithful in small things because it is in them that your strength lies.” Putting Americans back to work can and should start with the small things.

This is what these three successful CEOs told us we should do to spur hiring:

First, reauthorize a program that gives grants to the technology companies that are inventing new products, such as the electric toothbrush or body armor for soldiers, so these innovators can continue to grow and hire. That is what we tried to do with the small business innovation research legislation. The Republicans stopped it.

Second, they said we should modernize America’s air travel system to make it safer and more efficient to fly American skies. That is what we tried to do when we reauthorized the Federal Aviation Administration, which is lost in the Republican-dominated House.

Third, we must reform our patent system and clear a 3-year backlog of applications. The next laptop computer or iPod could be in that pile, just waiting to be taken from the basement to the boardroom. That is what we tried to do with the America Invents Act. The House passed a version of our bill, but the person—for example, Senator COBURN—said he is going to stop this bill because it doesn’t have the payment system that was a good idea. We all thought that here. We voted for this 95 to 5. But, again, it has been stopped by the Republicans; that is, our patent system.

That is 580,000 jobs just for patents and FAA, and there are tens of thousands of jobs with small business innovation. These are commonsense steps we can take today. Each would help put people to work across the country. That is not just what the Senate says, that is what business leaders say. Here is the catch. Congress has already taken up, as I indicated, all three of these measures. Not one has become law. Why? Republicans have killed or stalled all three of these important pieces of legislation—legislation business owners say they need to put more than ½ million Americans back to work.

Putting Americans back to work must be our most important debt-reduction strategy. Democrats know it is critical that we reduce the deficit and pay down the national debt, but we will never balance the budget with 14 million people out of work.

Democrats know how to balance budgets. Remember, when Democrats in Congress helped President Clinton balance the budget in 1998, unemployment was 4.5 percent. Now, unfortunately, it is twice that. That is why we must do two things at once: reduce the deficit and do whatever it takes to get American workers back doing what they need to do to bring in a paycheck. The business leaders we spoke with support this two-pronged approach. Democrats and Republicans do not have to look hard to find common ground; we only have to be willing to admit it when we see it.

I met with the President earlier today. We had a productive meeting. My Republican counterpart will meet with the President this afternoon. I hope my Republican colleagues will put the economy ahead of politics and join us to create jobs and set aside their desire to please the tea party and defeat President Obama. This is the way forward. Neither party should confront this crisis alone, and no one will be successful unless we confront it together.

We owe the country our commitment to do at least the small things. Again I repeat Mother Teresa when she said it is in them; that is, the small things, that our strength lies. And they, in turn, will inspire faith that the big things will follow.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

THE DEBT CEILING

Mr. MCCONNELL. Mr. President, a little later today, I will sit down with President Obama to discuss his request to raise the Nation’s debt ceiling. When I do, I intend to make a request of my own. I intend to ask the President what he is prepared to do, outside of raising taxes, about the massive deficits and

debt that have accumulated on his watch. I will tell him what Republicans are looking for in this debate: to cut spending now, cap runaway spending in the future, save our entitlements from bankruptcy, and get our economy moving. I will tell him the truth about requests by some in his party that we increase spending and raise taxes as a way of solving the debt and jobs crisis that precipitated the President’s request to raise the debt limit in the first place: Not only are they counterproductive from the standpoint of an economic recovery, they are also politically impossible since Republicans oppose tax hikes and Democrats have already shown they will not raise taxes in a down economy either.

Let’s start by taking both proposals off the table and focus on what can actually pass Congress and what will actually spur the private sector in our future and create jobs. Those who are calling for tax hikes as a part of these debt discussions either have amnesia about the fate of similar proposals just 6 months ago when Democrats controlled both Chambers of Congress by very large margins, as well as the White House, or they are acting in bad faith since we all know that including massive job-killing tax hikes would be a poison pill.

Let’s move past the tax hikes, talk about what is actually possible, and let’s talk about what has and has not worked over the last 2 years. On this second point, this much is clear: If government spending were the answer to an economic slowdown, we would be in a boom time right now. Instead, we are facing record deficits and debt and a seemingly endless stream of bad economic news. Despite massive spending increases by Democrats, millions have lost their jobs.

The problem is that Washington spends too much. That means Democrats are simply going to have to make the kinds of tough choices about Washington’s budget that most other Americans have been forced to make about their own budgets over the past couple of years.

Last week, President Obama told a group of people he was prepared to bring down the deficit by trillions of dollars but refused to list any of the ways he was willing to do it. All he did was list the things he refused to cut. This weekend, the President proposed even more deficit-financed spending disguised as what he calls investment. You really cannot have it both ways.

At some point, the President needs to realize that the reason our debt has skyrocketed 35 percent over the last 2 years and that our annual deficit is now three times greater than the highest deficit the previous administration ever ran is that spending has spiraled completely and totally out of control and that the big-government policies of the last 2 years simply have to change. Consider the failed stimulus bill when Democrats passed it. They said it was a one-time cash infusion that was supposed to keep unemployment below 8

percent. Two years later, with unemployment still hovering around 9 percent, they are saying we need to keep up the stimulus-level spending, despite its obvious failure. Their commitment to spending and tax hikes is so deeply held, it seems they do not even recognize the state of our economy or the fact that the tax-and-spend policies of the past 2 years have made matters worse, and they have to change if they are ever going to get out of the fiscal mess we are in.

Democrats seem to think the solution to our tax crisis is to ask taxpayers and businesses to reward their economic stewardship with even more money to spend as they please. They don't seem to understand that the voters didn't elect dozens of additional Republicans to the House of Representatives last November because they wanted their taxes raised. They sent them to reverse policies that had failed. We have seen the consequences of giving Washington a blank check. It is the reason we are in the mess to begin with.

So my message to the President is quite simple. It is time for Washington to focus on fixing itself. It is time for Washington to take the hit, not the taxpayers.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will be in morning business until 6 p.m., with Senators permitted to speak therein for up to 10 minutes each.

Mr. MCCONNELL. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

FISCAL POLICY

Mr. BOOZMAN. Mr. President, nearly every day we see scenes playing out in countries around the world where their financial security is in ruins. This is the last thing we want to experience in our great country, and that is why we need to reform our fiscal policy and the way we have done business. There is too much at stake not to take action.

The International Monetary Fund urged us to address our soaring budget deficits, and credit rating agencies Moody's and S&P may be forced to

downgrade our government's AAA rating.

So what is the majority doing to address this fiscal crisis? Absolutely nothing. It has been nearly 790 days without the majority in this Chamber proposing a budget, and it appears the majority isn't anxious to work on one. The majority-led Budget Committee has failed to meet this year to begin working on a resolution. We can't even have an open debate in this Chamber about the budget. Instead of voting to start the debate on budget measures last month, the majority squashed all proposals, including the President's own plan. This is failure to govern at the most basic level and the American people deserve better. We need a budget that puts us on the path to fiscal discipline.

Every week we hear warnings of why this must be done. Last week the Congressional Budget Office issued the starkest warning yet of the danger posed by our spending problems. Our Nation's debt will exceed the size of the U.S. economy by 2021 and will double the size of our Nation's GDP within 25 years. This is not the way I want to leave this country for my kids, my grandkids, and the people of Arkansas.

In his State of the Union Address, President Obama pushed for a conversation that will put us on the path to fiscal responsibility but, so far, he has been absent from the discussions. Only today, 36 days before the deadline given by Secretary Geithner to raise the legal limit on Federal borrowing, is he beginning to take leadership in negotiating for spending limitations.

Our debt is slowing the economic recovery. The simple truth is higher debt leads to slower economic growth. We have seen this with the failed stimulus, but in the past week the Senate-led majority is once again proposing this flawed strategy. This failed policy of borrowing, spending, and taxing is just what the CBO is warning us to avoid. It hasn't worked in the past and it won't work in the future.

What we need are debt reduction measures in the form of spending cuts. The CBO's last report shows that spending is the primary cause of our fiscal crisis and supports spending cuts rather than tax increases to reverse this trend. I urge President Obama to take tax hikes off the table. Let's get to work reining in the reckless spending and putting our Nation back on a fiscally responsible path.

If American families ran their household budgets the way Washington runs its budget, the utilities would be shut off and the collection agencies would be knocking on their doors. The American people are now knocking on the doors of the Capitol demanding the government limit its spending.

We must rein in our spending to protect programs such as Medicare, Medicaid, and Social Security for current recipients and for future generations. In order to achieve this, we must reform the manner in which we budget

and allocate Federal dollars. We need a mechanism to cap spending and force the government to spend within its means.

We must act now to move our country off the brink of financial collapse, and we must make tough decisions because that is what the American people deserve and expect of us.

Mr. President, I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. 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 ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KYL. Mr. President, I ask unanimous consent that I may speak for up to a half an hour in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE DEBT CRISIS

Mr. KYL. Mr. President, last week, three events conjoined to elevate the subject of the U.S. debt crisis in this country and should energize us in the Senate and our colleagues in the House to redouble our efforts to find a solution to this serious problem.

I wish to briefly mention those three events and then talk about the problem from my perspective, some of the potential solutions, and put an item in the CONGRESSIONAL RECORD for my colleagues' review.

The first of what occurred was a new report by the Congressional Budget Office which was a new projection about U.S. debt as a percentage of our economy. One of the things they said was that our debt could almost double by the year 2035—far larger than they thought it would be as a percent of our economy or the GDP—and they said it is going to exceed 100 percent by the year 2021. Actually, it could get to that point sooner than that. It is approaching 100 percent right now. Greece is a little bit over 100 percent. Countries that get to that 100-percent level of public debt as a percent of GDP have a very hard time ever recovering. As a result, the time is now for the U.S. Government to act on our huge and growing debt.

Secondly, we had reports by the Labor Department, the Commerce Department, and others that confirm what we already know about the state of our economy and the state of joblessness in this country.

Applications for unemployment benefits rose. It was the biggest jump in a month. We are over 9 percent unemployment now. New home sales fell in May. The values of our homes in this country have decreased more than they did during the Great Depression. That has been a horrible factor for millions of American families. Stocks fell last