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Senate

The Senate met at 2 p.m. and was called to order by the Honorable JIM WEBB, a Senator from the Commonwealth of Virginia.

PRAYER

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

Let us pray.

Eternal Spirit, our guardian and guide, deepen our trust in Your will and Your purposes. Lord, use our law-makers as diligent partners in doing Your will on Earth. May they not lose heart or become discouraged because of the daunting problems they must solve, but each day may they resolve to faithfully labor to please You. Help them to be good stewards of the gifts You have given by striving for peace and justice, sacrificing for the needy, and transcending differences for the sake of the common good.

We pray in Your sacred Name. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JIM WEBB 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, July 5, 2011.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JIM WEBB, a Senator from the Commonwealth of Virginia, to perform the duties of the Chair.

DANIEL K. INOUE,
President pro tempore.

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

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. REID. Mr. President, following any leader remarks, the Senate will resume consideration of the motion to proceed to S.J. Res. 20. At 5 p.m. today the Senate will vote on the motion to invoke cloture on the motion to proceed to the Libya resolution. This vote will be longer than usual to accommodate Senators returning after the holiday which occurred yesterday, but that doesn't mean it will be open forever. I will be happy to be a little lenient, but we will do the best we can.

DEBT CEILING

Mr. REID. In one of his poems, T.S. Eliot wrote, "Hurry up please. It's time." He could have been writing about us in the U.S. Senate.

Yesterday, this great Nation celebrated its 235th birthday. In those 235 years, we have accomplished many admirable things, and we have done it together. We have landed on the Moon, invented new ways to save lives, and fought for democracy and freedom all around the world. Now we stand poised to make a different kind of history.

For the first time, the United States of America stands at the brink of defaulting on our financial obligations. The Chief Economist for the U.S. Chamber of Commerce said allowing America to default on the debt "would be tantamount to writing a bad check."

Unless we take action, tarnishing this great Nation's sterling reputation will be the least of our concerns. We

also risk the very fate of this country's economy and the world's economy along with it. The last time this country was plunged into a major recession, just 3 short years ago, we took the world with us.

When Wall Street greed caused the financial collapse of our financial system, Americans across the country lost their jobs, their homes, and their savings, and so did people across the globe. This country is only beginning to recover and the world with us. But the crisis we now face is one of even greater proportion without exception. The most respected business economists and business minds of our time have said if America defaults on its debt, it will have dire consequences here and around the world. "Catastrophe," they called it.

That same U.S. Chamber of Commerce economist said a failure to avert this crisis "is not a possibility." He could not even conceive the Republicans in Congress could shirk their duty. Defaulting on our debt would risk millions of American jobs, halt tax refunds, Social Security checks, Medicare payments, and even paychecks for our troops. The depression it would cause at home would ripple around the globe. Some have suggested instead of getting Social Security checks, Social Security recipients would get an IOU from the Federal Government.

This default crisis is not a new problem. It has been around for months. But we no longer have months or even weeks to avert this catastrophe. We have days. Yet my Republican colleagues have walked away from the negotiating table when we were nearing a solution—and so close to disaster. Why? To protect oil companies, to protect the owners of yachts and corporate jets, to protect corporations that ship jobs overseas, to protect millionaires and billionaires from paying their fair share.

Twenty percent of all the income earned in this Nation is earned by less

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



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than 1 percent of its citizens. It is this top approximately 1 percent the Republicans are determined to protect. Republicans walked away from the negotiations to protect them. Meanwhile, the rich are getting richer and the poor are getting poorer, and all that the middle-class Democrats have worked to make stronger is disappearing. Middle-class families are struggling to make ends meet.

That is why I brought to the floor legislation demanding millionaires and billionaires contribute their fair share to this crucial deficit reduction struggle. When Republicans talk about shared sacrifice, they mean the sacrifice should be shared by those who can least afford it. Democrats believe that sacrifice should be shared by the richest 1 percent as well. The others have all sacrificed too much already.

As we debate in the Senate this week, negotiations with the Vice President and the President should continue. The invitation to Republicans to help prevent a catastrophic default remains out there. To become part of the solution rather than part of the problem, all Republicans have to do is accept our invitation. The time is here for my Republican colleagues to put politics aside. Simply put, we are out of time. But Democrats cannot negotiate with ourselves. When one side comes to the table and the other refuses, it is impossible to negotiate. So this week we will debate the solution to this crisis with the Republicans, like it or not.

Democrats will be clear about what is at stake: the fate of our country and the global economy. We will be clear about our priority: to avert a catastrophic default and protect our fragile economic recovery. We will be clear about the middle ground we have already found: We must cut the deficit in order to get our fiscal house in order.

Democrats are willing to compromise, but compromise does not mean allowing our Republican colleagues to put the wants of a few millionaires and billionaires ahead of the needs of the Nation and the world.

I repeat the words of T.S. Eliot: "Hurry up please. It's time."

RECOGNITION OF THE MINORITY LEADER

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

ORDER OF PROCEDURE

Mr. McCONNELL. When we subsequently go on the motion to proceed, I ask unanimous consent that the speakers on the Republican side be limited to 10 minutes each.

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

DEBT CEILING

Mr. McCONNELL. Mr. President, Washington is engaged in a debate

right now over the kind of country we want to be. The specific issue is this: At some point over the next several weeks, the Federal Government will no longer be able to borrow the money it needs to cover the cost of promises it has already made. So the President wants Congress to raise the statutory debt limit set by Congress. He wants us to raise the limit on the national credit card.

Now, what Republicans have said is that the only way we will do it is if Democrats agree to change their ways so we don't end up with the kind of situation that we are witnessing over in Greece. Make no mistake, that is exactly where we are headed if we don't do something significant and do it now. Democrats so far have refused. Instead, they are making what can only be described as a bizarre request under the circumstances.

In the middle of what we all agree is a debt crisis, they would like to spend even more. They want a second stimulus, more deficit spending. In the middle of the jobs crisis, they want to raise taxes that we know would kill even more jobs when even the President has said raising taxes would leave job creators with less ability to hire. These are their solutions. This is what the President came off the campaign trail to defend last Thursday, and this is what Republicans oppose.

Our view is that the way to solve a debt crisis is to go on a diet, not a shopping spree. Our view is the way to create jobs is to make it easier for businesses to hire, not harder. Frankly, we don't think the voters sent a wave of Republicans to Washington last November because they wanted us to raise taxes. They sent us here to restore some sanity. But the President and his Democratic allies in Congress don't seem to get it just yet.

Right now they are calling for a tax on aircraft manufacturers because they think it is good politics. It is their cheap attempt to try to make anybody who opposes it look bad. What they forgot is many of them voted to repeal a similar tax during the Clinton administration because of the devastating effect it had on jobs. They made the same arguments then, that we need to raise taxes on luxury goods to get more money, and it backfired. The shipbuilding industry alone lost tens of thousands of jobs.

Our Democratic colleagues surely must remember this, but apparently they would rather have fun trying to caricature their political opponents than working out a bipartisan solution that would actually enable us to balance the books.

Here is the point: Washington needs to find a way to spend less. Taxing more is their easy way out. They will start with aircraft manufacturers. Then when that is enough, and it never is, it is some other industry. Then another, and before we know it we are going after absolutely everybody. Why? Because it is easier to find a bill than

it is to make tough choices. But most Americans know what it is like to make tough choices, and they want to know if they have to do it, why can't Washington.

That is why I invited the President over here last Thursday to talk with Republicans. My hope, as I made clear, is that he would listen to Republicans and hear firsthand why we think raising taxes in a weak economy is a bad idea and what the realities are over here.

My goal, as I said on Thursday, was to get together and talk about what is actually possible. The Obama administration said it wasn't a conversation worth having. Republicans in Congress believe finding a way to reduce the deficit and put Medicare on a more secure footing is a conversation worth having.

So today I would like to reextend the offer. I think the best way to solve this impasse is for the President to hear what needs to be done and how we can do it; hear what can actually pass in Congress. He needs to understand the principles at stake from our point of view.

It is not about rich and poor. It is not about an election. It is about Washington taking the hit for a change. It is about having Washington make some tough choices for a change.

Americans want to see accountability here in Washington. They have seen Democrats spending trillions of dollars we don't have, and they have seen the economic situation get worse in many respects than it was several years ago. The facts speak for themselves.

Since the President took the oath of office, nearly 2 million more people are unemployed. That is a 17-percent increase in the unemployment rate under President Obama. Gas prices have nearly doubled—up 86 percent since January of 2009. In the past 2 years, the Federal debt has increased 35 percent. Debt per person has increased by over \$11,000. Health insurance premiums for working families have shot up 19 percent. All this while home values across the country have declined by 12 percent. They have clearly made the economy worse.

Americans get this. They think Washington, DC, should find a way to pay its bills or scale back its commitments, as everybody in the country is doing. Americans have made enough sacrifices the past few years. It is time for Washington to learn to make some sacrifice of its own.

Hopefully, the President will agree that reducing the debt is indeed a conversation worth having. I think we can do it. But I think he needs to understand what the legislative realities are and why and we are committed to a result that will restore the people's confidence not only in our economy but in our government.

I yield the floor.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. REID. Mr. President, I understand the clerk is about to report a motion to proceed.